

Agenda

PENSION FUND BOARD

Date: Wednesday 2 October 2019

Time: 10.00 am

Venue: Mezz 2, NCO Aylesbury

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12	EXCLUSION OF THE PRESS AND PUBLIC	
	To resolve to exclude the press and public as the following item is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)	
13	ANNUAL BENEFIT STATEMENTS - CONFIDENTIAL APPENDIX	67 - 70
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16	BRUNEL PENSION PARTNERSHIP UPDATE	79 - 146
	Update from Ms J Edwards, Pensions & Investments Manager.	
17	DATE OF NEXT MEETING/AOB	
	18 December 2019, Mezz room 2, New County Offices.	

If you would like to attend a meeting, but need extra help to do so, for example because of a disability, please contact us as early as possible, so that we can try to put the right support in place.

For further information please contact: Anne-Marie Kenward on 01296 382236, email: akenward@buckscc.gov.uk

Members

Ms B Black	Mr J McGovern
Mr P Dearden	Ms T Pearce
Ms R Ellis (VC)	Mr I Thompson
Mr S Mason (C)	Ms L Wheaton

Minutes

PENSION FUND BOARD

MINUTES OF THE PENSION FUND BOARD HELD ON THURSDAY 18 JULY 2019, IN MEZZ 2, NCO AYLESBURY, COMMENCING AT 10.00 AM AND CONCLUDING AT 12.17 PM.

MEMBERS PRESENT

Ms B Black, Mr P Dearden, Ms R Ellis (Vice-Chairman), Mr S Mason (Chairman), Mr J McGovern, Ms T Pearce, Mr I Thompson and Ms L Wheaton

OFFICERS PRESENT

Ms J Edwards, Mrs C Lewis-Smith, Ms C Platts, Mr M Preston and Ms S Price

1 APOLOGIES/DECLARATIONS OF INTEREST/MINUTES

There were no apologies.

There were no declarations of interest.

There were no comments or amendments to the minutes of the previous meeting.

RESOLVED: The minutes of the meeting held on 14 March 2019 were **AGREED** and signed by the Chairman.

2 MINUTES OF THE LAST PENSIONS FUND COMMITTEE

On page 12 of the agenda pack the minutes referred to a £560k return on cash investment. Ms J Edwards, Pensions & Investments Manager, and Mr M Preston, Head of Finance -Pensions, Investments and Projects, confirmed this should read £56k. Ms A Kenward, Committee Assistant, would feed this back for correction.

ACTION: Ms Kenward

3 BCC PENSION FUND EMPLOYER NEWSLETTERS - MARCH & JUNE 2019

Mrs C Platts, Communications Officer, gave an overview of the report circulated with the agenda.

Mrs Platts highlighted the following:



- The June newsletter referred to Ministry of Housing, Communities and Local Government (MHCLG) consultations which were now closed. Further details would be shared once information had been collated.
- Changes to late retirement factors will come into effect from 1 September 2019. The new methodology removes the under the 'cliff edge' effect which reduced the value of LGPS benefits held by members who were over their Normal Pension Age when the current factors last changed in January 2017/methodology.

RESOLVED: The Board NOTED the report.

4 PENSION FUND ANNUAL REPORT 2018/19

Mrs C Platts, Communications Officer, gave an overview of the report circulated with the agenda.

The following points were discussed as a result of questions from members of the board:

- The report contained conflicting information about how often the Pension Fund Board now met. Mrs Platts explained that the report needed to use data for the year 1 April 2018 to 31 March 2019, during which the Board agreed to meeting four times a year. For future reports the team would include a caveat to make this clearer.
- The iConnect system had been given a "limited" rating with "fundamental weaknesses noted" following internal audit testing. Mrs Lewis-Smith explained this was because iConnect was not currently able to provide the data necessary to carry out reconciliations. At the moment the team were relying on manual returns by employers and carrying out the reconciliations themselves. The team were working with iConnect to build the reporting tools necessary to resolve the issue. The Chairman asked that the Board be kept updated on progress.
- Mrs Lewis-Smith confirmed the fundamentals training course would be held once a year but there was no requirement for board members to attend more than once. This was confirmed in the Board's terms of reference (ToR).
- Ms J Edwards, Pensions & Investments Manager, confirmed that the McCloud judgement would be added to the risk register once the team had a better understanding of its impact.

ACTION: Mrs Edwards

- Mr M Preston, Head of Finance – Pensions, Investments & Projects, confirmed there were legitimate reasons for why the number of active members was increasing but the monies being paid in were less. This could include an increase in part time workers and higher rate earners opting for the 50/50 option.
- Ms Edwards confirmed there was no set date for Grant Thornton to complete their audit and acknowledged the difficulties this caused employers. Mr Preston expressed disappointment that there had been delays with Grant Thornton.. It was acknowledged that such delays appeared to be a nationwide issue with all auditors.

RESOLVED: The Board NOTED the report.

5 REVIEW OF BUCKINGHAMSHIRE PENSION BOARD POLICIES

Mrs C Lewis-Smith, Pensions Administration Manager, gave an overview of the report circulated with the agenda.

Mrs Lewis-Smith highlighted the following:

- Changes to the documents had been tracked as per a previous request.
- Generic terms such as “administering authority” had been used to limit impact of having a new council as of April 2020.

The following points were discussed as a result of questions from members of the board:

- Mrs Lewis-Smith confirmed that the agenda packs and minutes of these meetings as well as contact details for Board Members were available on the Buckinghamshire County Council website for scheme members to view if they wished. <https://democracy.buckscc.gov.uk/ieListMeetings.aspx?Committeeld=869>
- It was acknowledged that sometimes it would not be possible for Board Members to attend all meetings. The updated ToR gave an expected attendance of two out of four meetings each year. Failure would result in an informal conversation with the Chairman. The Chairman stated he was happy to exercise discretion as long as the member was willing to attend and meaningfully engage with the board.
- Some board members appeared to not be receiving emails from the Local Government Pension Scheme (LGPS). Mrs Lewis-Smith would check the email addresses they were registered with.

ACTION: Mrs Lewis-Smith

- Ms Edwards, Pensions & Investments Manager, would arrange to update board members on the LGPS Code of Transparency.

ACTION: Mrs Edwards

RESOLVED: The Board AGREED the changes as per the amendments suggested above.

6 ANNUAL BENEFIT STATEMENTS - ADMINISTRATION YEAR END UPDATE

Mrs C Lewis-Smith, Pensions Administration Manager, gave an overview of the report tabled at the meeting. Incorrect documents had been circulated with the agenda and the correct version would be appended to these minutes.

Mrs Lewis-Smith highlighted the following:

- Several employers had changed their payroll provider leading to an increase in the total number of returns.
- 71 cases had to be returned to employers for revision. 36 of the 71 were then returned accurately by the deadline.
- 45 returns were in process of being data cleansed.
- 197 accurate returns were ready for processing by 30 April
- There was a target to issue 95% of active Scheme Members with an annual benefit statement by the statutory deadline of 31 August 2019.

Members of the board asked what was done to keep records of beneficiaries up to date. Mrs Lewis-Smith explained that the onus was on scheme members to keep their details up to date. It was hoped the Pensions Dashboard would make it easier for people to track pensions in future. In the meantime the team worked with the Department of Works and Pensions (DWP) and used methods such as member tracing and mortality screening to keep records up to date. Decisions would be taken on a case by case basis on whether larger pensions nearing their retirement date would be subject to more expensive search options. Mrs Lewis-Smith would share figures relating to “gone away” beneficiaries at the next meeting.

ACTION: Mrs Lewis-Smith

RESOLVED: The Board NOTED the report.

7 ADMINISTRATION PERFORMANCE STATISTICS

Ms S Price, Assistant Pensions Administration Manager, gave an overview of the report circulated with the agenda.

Ms Price highlighted the following:

- Most key performance indicators (KPIs) were in the high 90%’s.
- For those KPIs that fell below this Ms Price would be meeting with employers to understand what the issues were.
- The team were still waiting to see what impact the McCloud judgement would have on workloads.
- The team’s target was to clear 90% of priority tasks each day. They were currently achieving 96%.
- A satisfaction survey sampling members who had recently retired was underway. The team hoped to have a sample size of 50 before the end of August. An update would be brought to the next meeting.

The following points were discussed as a result of questions from members of the board:

- In the table header the description would be amended to “in period”.
ACTION: Ms Price
- Ms Price confirmed if employees made the team aware they would be taking retirement far in advance the workflow could be paused pending the employer returning the necessary data. Ensuring workflow was being used correctly was one way to reduce the percentage of retirement cases being processed outside of 30 days.
- Officers confirmed that the life time allowance (LTA) percentage was available on annual benefit statements but did not include the annual allowance figure. These are notified to members separately where relevant.

RESOLVED: The Board NOTED the report.

8 GMP RECONCILIATION

Mrs C Lewis-Smith, Pensions Administration Manager, gave an overview of the report circulated with the agenda.

Mrs Lewis-Smith highlighted the following:

- The deadline to complete the data reconciliation exercise was initially 31 December 2018 however this had been amended by HMRC. The date for reporting final queries was now June 2019.
- There were 38,526 records where both parties agreed the guaranteed minimum pension (GMP) was £0. 5,171 were an exact match and 6,882 records within tolerance set at £2 per week.
- There were a number of unreconciled cases, mostly for teachers or other education colleagues who had been placed into the wrong type of scheme. HMRC recommended that these cases were left until the employee reached retirement age. At that stage HMRC would make extra resources available to fully reconcile accounts. Mrs Lewis-Smith stated she did not agree with that approach but would make a final decision on the way ahead once HMRC issued formal guidance.
- Mrs Lewis-Smith confirmed that nationally funds were not recovering overpayments but were assessing the correct pension that should be in payment and paying this amount going forward.

RESOLVED: The Board NOTED the report.

9 RISK REGISTER

Ms J Edwards, Pensions & Investments Manager, gave an overview of the report circulated with the agenda.

Members of the board asked if the impact of the McCloud judgement should be included as a risk. Mr M Preston, Head of Finance – Pensions, Investments & Projects, stated it was still unclear what the impact may be.

RESOLVED: The Board NOTED the report.

10 FORWARD PLAN

Mrs C Lewis-Smith, Pensions Administration Manager, gave an overview of the report circulated with the agenda.

Mrs Lewis-Smith stated there would be a report to the board that summarised breaches of the law at the next meeting. It was a statutory requirement to present this once a year.

RESOLVED: The Board NOTED the report.

11 EXCLUSION OF THE PRESS AND PUBLIC

12 CONFIDENTIAL MINUTES OF THE PREVIOUS MEETING

- 13 BRUNEL PENSION PARTNERSHIP UPDATE**
- 14 EMPLOYER RISK ANALYSIS**
- 15 LOCAL PENSION BOARD INSURANCE**
- 16 ANY OTHER BUSINESS**
- 17 DATE OF NEXT MEETING**

2 October 2019, 10am
Mezzanine Room 2, New County Offices, Aylesbury

CHAIRMAN

Minutes

PENSION FUND COMMITTEE

MINUTES OF THE MEETING OF THE PENSION FUND COMMITTEE HELD ON FRIDAY 26 JULY 2019, IN LARGE DINING ROOM, JUDGES LODGINGS, AYLESBURY, COMMENCING AT 11.05 AM AND CONCLUDING AT 1.10 PM.

MEMBERS PRESENT

Mr J Chilver (Chairman), Mr D Martin (Vice-Chairman), Mr M Barber and Mr T Butcher

OTHERS PRESENT

Julie Edwards, Pensions and Investments Manager, Buckinghamshire County Council
Tony English, Investment Consultant, Mercer
Matthew Passey, Investment Consultant, Mercer
Claire Lewis-Smith, Principal Pensions Officer
Anne-Marie Kenward, Committee Assistant
Cheryl Platts, Pensions Communications Officer

AGENDA ITEM

1 APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP

On opening the meeting the Chairman acknowledged members of the public who had attended on behalf of Aylesbury Quakers and Extinction Rebellion (XR) groups and invited them to make brief statements.

Kathy Russell, representing Aylesbury Quakers, read from a prepared statement.

Several members of the XR drew the committee's attention to their fellow protestors gathered outside to highlight the billions of people worldwide affected by climate change. They urged the committee to take immediate action to disinvest in fossil fuels to show the next generation they were willing to taking responsibility. XR also called on the County Council to join other councils nationally in declaring a climate emergency. They left gifts of promotional material, including a book by Greta Thunberg, for each of the members of the committee.

Several protestors had chained themselves to railings outside the Judges Lodgings and Old County Hall, in the neighbouring Market Square. The Chairman was invited to



unchain protestors as an indication of support. The Chairman declined to do so in order to facilitate the continuation of the meeting.

In response to the statements the Chairman read from a prepared statement and referred to a letter tabled at the meeting responding to previous similar enquiries.

Apologies were received from Mr R Bagge, Ms C Dobson, Mr J Gladwin, Mr N Miles, Mr I Murray, and Mr M Preston.

2 DECLARATIONS OF INTEREST

There were none.

3 APPOINTMENT OF VICE-CHAIRMAN

RESOLVED

That Mr D Martin be appointed as Vice Chairman of the Committee for the ensuing year.

4 MINUTES

RESOLVED: The minutes of the meeting held on 30th May 2019 were AGREED as a correct record.

5 ANNUAL ACCOUNTS AUDIT

Apologies had been received from Mr I Murray, Grant Thornton auditor. Ms J Edwards, Pensions & Investments Manager, gave an overview of the report circulated as a supplement to the agenda pack.

The following points were discussed as a result of questions raised by members of the committee:

- Accounts needed to be published by 31 July 2019. Due to a delay with the auditors these would need to be published with a statement explaining that the full auditors view would not be available until a later date. There was no definitive timeline for the auditors to complete their review.
- Mr M Barber stated that the Thames Valley Police (TVP) auditors would be unable to sign off the TVP accounts until Grant Thornton had issued a letter of assurance on the Pension Fund audit.
- It was confirmed that another auditor working with the district councils had experienced similar delays.
- As the draft audit findings had only been received on 23 July 2019 officers had not had the opportunity to review and respond. This would be brought to a future meeting.
- Members of the committee asked for future accounts to give more information

about fund changes across the period.

- There were concerns that publishing without an auditor's opinion would lead to a lack of oversight by this committee. Mr D Martin stated that as the Chairman of the Regulatory and Audit Committee he had had conversations with the County Council's Section 151 Officer. The S151 Officer had advised that if members of this committee were satisfied that there had not been a material change the committee could ask the Regulatory and Audit Committee meeting on 30 July, to agree the final accounts.

RESOLVED: The Committee AGREED that if there were no material changes, the Regulatory and Audit Committee (chaired by Mr Martin) could agree the accounts to be published on 31 July 2019. If there were material changes a further meeting of the Pension Fund Committee would be called as soon as possible.

6 ANNUAL REPORT 2018/19

Mrs C Platts, Communications Officer, gave an overview of the report circulated with the agenda.

Mrs Platts confirmed the report had been prepared based on advice and guidance from Central Government which for the first time included detailed information such as:

- A value for money statement.
- A move toward standardised key performance indicators (KPI)
- Analysis of new pensioners by type of retirement
- Information on asset pooling
- And other mandatory requirements, as listed in the 2019 edition of CIPFA statutory guidance for LGPS annual reports.

The following points were discussed as a result of questions asked by members of the committee:

- In future reports the Committee would like to see a direction of travel recorded for actions on the Risk Register. Ms J Edwards, Pensions & Investments Manager, confirmed that for the current register the direction of travel is reporting no change since the risk has not reduced / increased since the previous review.
- Mrs Lewis-Smith confirmed that the "limited" rating placed on iConnect by the internal auditor referred to reporting limitations for the reconciliation of contributions received. The team had introduced a workaround by asking employers who use iConnect to submit a monthly financial reconciliation spreadsheet. In the long term the team would work with iConnect to improve its reporting tools. Members queried whether the rating was correct if the team had a robust plan of action in place.
- It was confirmed that 68 employers were using the iConnect system most of whom were smaller employers. There were no charges to use the iConnect system.
- It was confirmed that iConnect had assisted officers with the introduction of

General Data Protection Regulation (GDPR) but had not been introduced as a result of GDPR.

- A member queried why the change in market value of investments was the same in 2019/20 to 2011/22 as 2018/19, market returns are difficult to forecast but the projections should be in line with the actuary's assumptions. It was noted that that the Management Expenses is showing as income not an expense for 2019/20 to 2011/22.

ACTION: Ms Edwards

- Lower management expenses shown on page 33 were confirmed as savings made by pooling funds with Brunel.
- Regarding GMP reconciliations, page 47 of the agenda pack, it was confirmed that 55,892 of approximately 70,000 scheme member records had been reconciled.

RESOLVED: The Committee AGREED the report subject to the suggested improvements and audit opinion.

7 EXIT PAYMENT CAP

Mrs C Lewis-Smith, Pensions Administration Manager, gave an overview of the report circulated with the agenda.

Mrs Lewis-Smith highlighted the Fund's response to the consultation which could be found on page 177 of the agenda pack. Feedback included:

- Suggesting a minimum implementation period of nine months in light of the vesting day for the new unitary Buckinghamshire Council, 1 April 2020.
- There were some situations where the cap could be relaxed such as compassionate grounds due to genuine hardship, to effect urgent workplace reforms and where an exit arrangement is agreed but delayed until after the implementation date.
- The fairness of the cap had been questioned by other organisations but the Fund's response was based purely on a pension administration point of view.

Members of the committee stated they agreed with the points raised by officers, but requested that in future consultation responses should be presented to the committee prior to submission to ensure oversight.

RESOLVED: The committee noted the report.

8 EMPLOYER COST CAP AND MCCLOUD

Mrs C Lewis-Smith, Pensions Administration Manager, gave an overview of the report circulated with the agenda.

Mrs Lewis-Smith highlighted the following points:

- The report referred to two different types of caps:

- The employer cost cap (ECC) process as operated by Her Majesty's Treasury (HMT).
- The future service cost cap (FSC) process as operated by the Local Government Pension Scheme (LGPS) Scheme Advisory Board (SAB).
- In September 2018 HMT announced that employer costs would increase alongside an increase to scheme member benefits, due to the reduction in the SCAPE discount rate. SAB proposed scheme changes from April 2019 but these were placed on hold in January 2019 until the impact of the McCloud judgement could be assessed.
- The McCloud judgement concerned the firefighter's and judicial pension schemes. The Court of Appeal ruled that transitional protections were unlawful. The government was subsequently denied leave to appeal and the case would now return to employment tribunal for remedy which could take 12 months or more.
- The administrative and financial burden to the pension fund would be unknown until the after the remedy was decided. The remedy would be applied retrospectively to 1 April 2014. It is anticipated the cost of the remedy would be less than the cost of scheme improvements required to reach the scheme target cost so it would be expected that some of the SAB proposed changes would be implemented and applied retrospectively to 1 April 2019
- Officers were unsure of the burden the McCloud judgement could place on officer time until the final decision was reached. Officers could not be sure of the number of scheme members affected.
- Members of the committee asked for the possible administration impact to be included on the Risk Register.
- Officers would be seeking clarification on whether changes made retrospectively could lead to breaches.

RESOLVED: The Committee NOTED the report.

9 CHANGES TO THE LOCAL VALUATION CYCLE AND THE MANAGEMENT OF EMPLOYER RISK POLICY

Mrs Lewis-Smith highlighted that the Ministry of Housing, Communities and Local Government (MHCLG) had opened a 12 week policy consultation called 'LGPS: Changes to the Local Valuation Cycle and the Management of Employer Risk.' The consultation closes on 31 July 2019. The draft response could be found on page 217 of the agenda pack.

The following points were discussed as a result of questions asked by members of the committee:

- Among other changes the consultation proposed that some employers could decide to no longer offer the Local Government Pension Scheme (LGPS) which would result in those employers having an increased contribution rate and a sizable exit payment when the last active member leaves.
- Existing employees could continue with their LGPS membership but the LGPS

- would not be available to new employees.
- Employers would be required to offer an alternative pension provision.

RESOLVED: The Committee AGREED the consultation response on page 217 of the agenda pack.

10 FORWARD PLAN

Mrs J Edwards, Pensions & Investments Manager, referred to the updated forward plan circulated with the agenda pack.

Mrs Edwards confirmed the following items would be brought to the next meeting:

- Appointment of an Adjudicator.
- Breaches of the law.
- Brunel Pension Partnership Update.
- Pension Fund Performance.
- Low Volatility Equities, Small Cap Equities, Diversified Growth Funds and Stock Lending.

RESOLVED: The Committee NOTED the update.

11 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded for the following item which is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

12 CONFIDENTIAL MINUTES

13 EMPLOYER RISK ANALYSIS

15 ANY OTHER BUSINESS

14 DATE OF NEXT MEETING

Friday 13th September 2019 at 2pm, in Mezz 2, New County Offices, Aylesbury.

CHAIRMAN

Buckinghamshire Pension Board

Title:	BCC Pension Fund Employer Newsletter – September 2019
Date:	2 October 2019
Author:	Head of Finance (Pensions, Investments & Projects)
Contact officer:	Cheryl Platts, 01296 383407
Electoral divisions affected:	None

Summary

To present, for discussion, the September 2019 issue of the BCC Pension Fund Employer newsletter.

Recommendation

The Pension Board is asked to NOTE the September 2019 BCC Pension Fund Employer newsletter, and comment as appropriate.

Resource implications

1. There are none arising directly from this report.

Legal implications

2. There are none arising directly from this report.

Other implications/issues

3. The BCC Pension Fund issue a quarterly Employer newsletter to all Employing authorities in the Fund.
4. The Employer newsletter is the Fund's main communication with its Employing Authorities and it summarises relevant legislative changes and provides investment, administration and general updates for the quarter.
5. The September employer newsletter is attached in draft. The final newsletter will be published on our website (at the webpage address shown below) no later than 30 September and BPB members will receive an email notifying them that the September Employer newsletter has been published.
<https://www.buckscc.gov.uk/services/council-and-democracy/local-government-pension-scheme/employers/newsletter/>

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

6. Not applicable

Background Papers

PDF of BCC Pension Fund Employer Newsletter – September 2019 (draft)

Buckinghamshire County Council Pension Fund Employer's Newsletter – September 2019 **DRAFT**



Welcome to our quarterly employer's newsletter.

Details of bulletins and circulars issued by the Local Government Association (LGA) since the last newsletter are detailed below. All previous circulars and bulletins are on the LGA website at <http://lgpsregs.org/bulletinsetc/bulletins.php>

LGPC Bulletins

Local Government Pensions Committee (LGPC) issue a bulletin every month, or more often as required, to update scheme administrators on changes to the LGPS. The bulletin is quite detailed and is designed for scheme administering authorities. We highlight issues to you as necessary by including relevant articles in our quarterly newsletters. Click on the links below if you wish to read the bulletins in full.

- [Bulletin 186](#) – June 2019
- [Bulletin 187](#) – July 2019
- [Bulletin 188](#) – August 2019

LGPC Circulars

[Circular 314](#) – Provides details of the 16th annual LGPS Governance Conference, 23-24 January in York and details of the 3 day LGPS Fundamentals training which takes place on selected dates in Leeds, London and Cardiff.

Pension Fund Investment Update

30 June 2019	Annualised Performance (%)		
	Quarter	Annual	3 year
Fund (excl. Private Equity)	3.7	6.2	9.4
Benchmark	3.7	6.9	8.7
Out-/Under Performance	-	-0.7	0.7
Market Value (£bn)	3.115	-	-

The Fund excluding private equity investments achieved a return net of fees of 3.7% for the quarter, matching the benchmark. The value of the whole Fund as at 30 June 2019 was £3.115bn. A return of 6.2%, representing underperformance of 0.7%, compared to the 6.9% benchmark, for the twelve month period is reported. A return of 9.4% representing outperformance of 0.7% compared to the benchmark of 8.7% is reported for the three year period.

Brunel Pension Partnership update

Dawn Turner, outgoing CEO of Brunel Pension Partnership, received the LGC Investment Recognition Award at the LGC Investment & Pensions Summit, which took place on 5-6 September.

For more Brunel Pension Partnership news, visit www.brunelpensionpartnership.org.



Pensions & Investments Team updates

The LGPS retirement process

Our www.buckscc.gov.uk/yourlgpsretirement webpage provides a scheme guide and short animated video which explains our Fund's LGPS retirement process. Please take time to view this page and signpost your staff to this page when they have questions about their retirement.

Further SLA updates for 2019-20

As at 23/09 CLS was in the process of updating the SLA to reflect changes in the scheme and/or to local processes. A summary of changes will be provided by CLS ahead of the September newsletter publishing deadline (30/09).

Pension Savings Statements update

The [Annual Allowance \(AA\)](#) is the amount by which the value of your pension benefits may increase in any one year without you having to pay a tax charge. If the total of an individual's pension input amount, in respect of all their arrangements within the BCC pension fund exceeds the AA, we provide a pension savings statement to the affected member by 6 October. This year 99 cases were identified as exceeding the AA and required manual calculation. The final calculations are being worked on and we are on track to issue all Pension Saving Statements by the 6 October deadline.

Statutory notifications: revised process

In the past, we have issued paper Statutory Notifications (i.e. LGPS membership certificates) to our new members, or members who have had a change in their pension position. The statutory notifications were sent to the Employer, who then passed it to the member. We have now implemented digital statutory notifications, which are published on **my pension online** and a notification email is sent to the member. Please ensure that you provide email addresses for all new members to enable us to send them their email notification. We do not use email addresses for any reason other than LGPS administration.

Year-end and Annual Benefit Statement update

As you're aware, we've been working hard to produce the 2019 LGPS annual benefit statements. As at 31 August, we had produced 21,818 statements, which is equal to 97.3% of our contributing scheme members, as well as 24,245 statements which were produced for our deferred members.

Thank you for working with us to achieve this excellent result.

"My pension online" registration percentage update

As at 19 September 34.04% of our active members had registered for online access to their pension account. This is slightly up on the 32.26% at the end of May. Please encourage your staff to register for [my pension online](#) as they will not be able to access their 2019 annual benefit statement if they haven't signed up.

Annual benefit statements 2019 for active/contributing scheme members

The 2019 annual benefit statements for active members have been published to **my pension online**. More information about annual benefit statements is available [on our website](#).

We sent email notifications direct to **my pension online** registered members, as we record their email address at registration. Email notifications can't be sent to members who have not registered.

By default all Scheme members have an online account, but **registration is not automatic**. This is due to the member having to set up a username and secure password, and then completing the final email validation to activate their account. Online access is safe, secure and convenient.

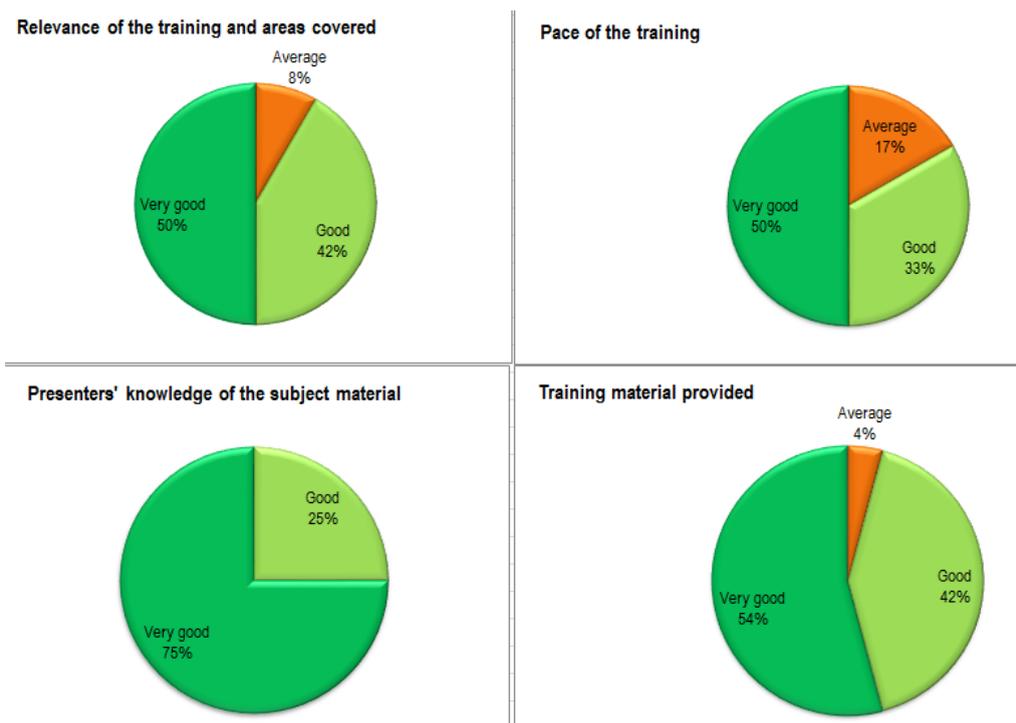
Please take this opportunity to increase **my pension online** registration levels for your staff. We have provided suggested wording on [page 6](#) of this newsletter (highlighted in red). Please copy & paste this wording into any internal newsletters to publicise [my pension online](#) to your staff.

Employer training feedback (13 & 22 August)

We hosted two employer training events in August (13th & 22nd). We included an Employer update on the recent MHCLG consultations, changes within our team and an overview of the resources available to our Employers. We also included a workshop session, facilitated by ELOs, which included example calculations

for final pay, CARE pay and assumed pensionable pay. The feedback was very positive with ratings of “good to very good” in almost all areas, and included the following comments:

- “Group work useful, particularly with an ELO present to help. Good length of session.”
- “Exercises with a member of the team really helpful. Breaks up the presentation and provides practical application of what is discussed.”
- “Great training”, “Worked examples very useful”, “Liked the group work opportunity.”
- “As a first time attendee, all presenters helpful. Thank you.”
- “How to calculate APPs and when to use Final Pay definitions was useful”
- “Nice having practical examples and not just slides”
- “Summary updates of all changes to the employers was most useful*, (the team are) very knowledgeable and good at communicating the information. Group question work is a very good idea as it gets all the participants talking to each other, this helps to develop a friendly training atmosphere”
(*i.e. summary of MHCLG consultations)



We put a great deal of effort into producing our training, but unfortunately we had a low turnout, with 24 attendees in total. Our 2020 Employer training dates are 12 & 18 March (year-end training) and 9 & 16 September (general employer training). Please mark these dates in your diaries. More details will be provided in our employer newsletters and email invitations.

2019 Valuation update

A number of Employers have contacted us to request confirmation of their Employer contribution rates from 2020/21. As the actuarial valuation takes a number of months, we expect that preliminary employer contribution rates won't be available until December, while the final rates and adjustments certificate will be signed off at the end of March 2020. We will let you know what your contribution rate will be as soon as we are able to do so. We will also put this information on our website.

Please note: Local Education Authorities should make all their schools aware of the new LGPS contribution rate, and all schools who outsource their payroll should make sure that they instruct their payroll provider to use the correct LGPS employer and employee contribution rate from 1 April 2020. As we are not their client, payroll providers don't take their instruction from us.

Reminder: BCC Pension Fund General Meeting, 5 December

Our Fund's general meeting will take place on 5 December, approximately 9:30 to 12:30pm, in central Aylesbury. The agenda has not yet been finalised, but will include a presentation by the Fund Actuary, Barnett Waddingham LLP, who will discuss the preliminary results of the 2019 Fund Valuation.

Please save this date and time in your diaries; your invitation will be sent later in the year.

Unitary update: Buckinghamshire Council

On 1 November 2018, the government announced its decision for a new unitary council for Buckinghamshire. The new Buckinghamshire Council will replace the current five councils (Buckinghamshire County Council and Aylesbury Vale, Chiltern, Wycombe and South Bucks District Councils.) The current county and district councils will cease to exist after 31 March 2020 and the new council will go live on 1 April 2020.

We are the administering authority of the LGPS in Buckinghamshire, so we already provide the pension administration service to all local government employers who offer the LGPS in Buckinghamshire and Milton Keynes. We will continue to do so after the new council goes live on 1 April 2020.

As the new Buckinghamshire Council takes shape, we will work with the current five councils to provide LGPS updates for their staff. We will issue a technical Employer newsletter to the councils in scope by the end of October 2019.

MHCLG Consultations

Consultation: Exit payments cap – update

You will be aware that HM Treasury (HMT) launched a consultation called ‘Restricting exit payments in the public sector: consultation on implementation of the regulations’. The consultation closed on 3 July 2019. HMT received approximately 600 responses, and it is likely they will publish their response in the autumn of 2019. We understand that HMT are to introduce the cap **no sooner than 1 April 2020**.

Consultation: Local valuation cycle and the management of employer risk

The consultation closed on 31 July 2019. MHCLG received around 280 responses and expect to publish their response in the autumn of 2019.

The LGA response to MHCLG’s policy consultation on changes to the local valuation cycle and the management of employer risk can be found on the [Scheme consultations](#) page of www.lgpsregs.org

LGPS General Updates

SAB publishes Good Governance Report

The Scheme Advisory Board (SAB) published the [Good Governance Report](#) on 31 July 2019. The project team are working on a detailed plan to implement the report’s recommendations which will be presented to the SAB when they meet in November 2019.

The Pensions Regulator - Publication of LGPS Cohort Report

On 19 September, the Pensions Regulator [published its report](#) into the governance and administration risks in public service pension schemes, including the 10 UK local government funds who were engaged with between October 2018 and July 2019. The report summarises the key findings against the Regulator’s Code of Practice 14 both in terms of exceeding and falling short of required standards and will be discussed in detail when SAB next meets on the 6th November 2019.

In commenting on the report, Chair of the Scheme Advisory Board, Councillor Roger Phillips said “This key area of work ties in closely in with the Board’s own Good Governance project. In identifying examples of best practice as well as areas for further improvement the report will undoubtedly be of great assistance to LGPS funds in seeking to enhance their own governance and administration arrangements.”

McCloud to apply to all public service pension schemes

On 15 July 2019, the Chief Secretary to the Treasury announced in a written statement that remedies relating to the McCloud judgement will need to be made in relation to all public service pension schemes. The full statement can be found on [the parliament website](#).

See the [Q&A](#) on the Scheme Advisory Board website for more information on the McCloud case. The Government has updated their [report on the public service pension reforms](#) to incorporate the most recent developments in the McCloud case.

Wider pensions landscape

Consultation on flexibility in the NHS Pension Scheme launched

The Department of Health and Social Care have launched [a consultation](#) on proposals to increase flexibility for senior clinicians in the NHS Pension Scheme (NHSPS). The consultation seeks to address the impact of pension taxation on the delivery of NHS services.

Women's State Pension age case goes to High Court

On 5 June 2019, the [BBC reported](#) that campaigners have taken the Government to the High Court for a judicial review into how ministers raised the state retirement age for women. .

House of Lords Committee publish a report calling for triple lock to be scrapped

The House of Lords Committee on Intergenerational Fairness and Provision has published [a report](#) which states that maintaining the triple lock indefinitely would be “unsustainable”. As a result the Committee's recommendations in relation to taxation and spending include removing the triple lock for state pensions and uprating the state pension in line with average earnings instead.

TPO Annual Report and Accounts published

The Pensions Ombudsman (TPO) published its [Annual Report and Accounts](#) on 18 July 2019. The Report contains information about TPO's performance in the 2018/19 year and summaries of completed investigations.

TPR to combine codes of practice

The Pensions Regulator (TPR) has [announced](#) changes to existing codes of practice. The content of the 15 current codes of practice will be combined to form a single shorter code. The changes will reflect the Occupational Pension Schemes (Governance) (Amendment) Regulations 2018. Codes most affected by these regulations will be addressed first, and this [includes Code of Practice 14](#) (public sector schemes). Schemes will need to demonstrate that they have an effective governance system within 12 months of the date the updated codes are published.

TPR Annual Report and Accounts published

TPR published its [Annual Report and Accounts](#) in July 2019. The Report includes details of the organisation's activities, finances and developments in the 2018/19 year and an assessment of their achievement of key aims set out in the corporate plan.

Governance and administration survey findings published

TPR have published their [2019 report](#) on the findings of the governance and administration survey of public sector pension schemes undertaken at the end of 2018. 195 of the 207 public service pension schemes completed the survey. This response rate of 94% covers 99% of total membership.

Main points to note:

- there have been improvements in Schemes' performance in four of the six key processes • the report highlights the importance of receiving accurate and timely data, and identifies employer performance as a common reason for missing or inaccurate data
- the percentage of LGPS members who were sent an annual benefit statement before the statutory deadline was lower than the average across the sector
- the top three barriers to improvements in administration and governance were identified as complexity, lack of resources and legislative change. Within the LGPS, staff retention and lack of knowledge was cited as a top three risk by 28% of funds
- six LGPS funds reported that that they had fewer board members at the time they completed the survey than is required by regulation 107(2) of the LGPS Regulations 2013, but this was mainly due to vacant positions
- LGPS administration was more likely to be delivered in-house, and administering authorities review their administration providers less frequently than the average across the public sector.

TPAS Annual Report and accounts published

The Pensions Advisory service (TPAS) published its [annual report and accounts](#) on 11 July 2019.

Woman wins right to late partner's military pension

In a [landmark ruling](#), on 17 July 2019 the Court of Appeal awarded a survivor pension in the RAF pension scheme to Ms Langford following the death of her partner in 2011. Ms Langford had cohabited with the scheme member for 15 years, but was married to someone else at the time of her partner's death.

The decision could have far-reaching consequences for other cohabiting couples in the public sector where a surviving partner is married to a third party. We await the government's response to this decision.

Government updates no-deal Brexit pension's guidance

On 9 August 2019 the Department for Work and Pensions (DWP) updated two sets of guidance covering the pension and benefit rights for:

- [UK nationals in the EU, EEA or Switzerland](#)
- [EU, EEA and Swiss citizens in the UK](#)

if there is a no deal Brexit

Tailored review of TPO – outcome published

In November 2018 DWP led a tailored review (last review 2014) of The Pensions Ombudsman (TPO) to ensure that the body remains fit for purpose, well governed and properly accountable for what it does. The government published the [outcome of this review](#) on 27 August 2019.

BCC Pension Fund reminders

“My pension online” promotional material

Our [“My pension online” promotional leaflet](#) is available from the “My Pension Online” section of our website, where all employers can download it and use it to encourage their staff to register. If you require just a few paragraphs to encourage your staff to register, please use the wording within the lines below.

My pension online is safe, secure & convenient.

You can now access your Local Government Pension Scheme (LGPS) pension record online. All members of the Buckinghamshire Pension Fund can register and login via our secure **my pension online** portal at <https://ms.buckscc.gov.uk/>.

Registering for **my pension online** will give you 24-hour secure access to your LGPS record, allowing you to:

- check and update your address,
- amend personal details, including your death grant “expression of wish” nomination,
- produce your own pension quotes, helping you to plan for your retirement, and
- each 31 August, check your [LGPS annual benefit statement](#) online.

Since 2018 your LGPS annual benefit statement has been published on your secure online pension account. Register/login now at <https://ms.buckscc.gov.uk>.

Please note: The above-mentioned service only applies to LGPS members of the Buckinghamshire Pension Fund. Where applicable, members of the Teachers', NHS, Police, USS and other public sector pension schemes will need to contact their scheme administrators to register for online access to their records.

Egress Switch encrypted email service and passwords

Remember, if you use the Egress Switch encrypted service to send personal data to us, you don't need to password protect your attachments. We recommend that employers who are not on the government whitelist use Egress Switch. If you will not be using Egress Switch, please provide a generic password to be used when transferring personal data. Email employers@buckscc.gov.uk with the password you wish to use.

Link to www.buckscc.gov.uk/lgpsguidesandforms

Please ensure that you provide all new Scheme members with the link to our LGPS guides, forms and booklets in their contracts of employment. The link to our Scheme member guides, forms and booklets is www.buckscc.gov.uk/lgpsguidesandforms.

TUPE transfers out and Academy conversions

Please remember to contact Marie Dunbar, TUPE Liaison Officer, mpdunbar@buckscc.gov.uk prior to any TUPE transfers that affect employees who are members, or who are eligible to be members of the LGPS. Marie deals with admission agreements and bulk transfers, and also deals with the LGPS pension rights of support staff working for schools converting to Academy status.

Updated LGPS Employer discretionary policy guidance

The LGA's revised versions of the Employer discretionary policy list and summary (versions 1.8 and 1.10 respectively) have been published. Clean and tracked changes versions can be found on the [Guides and sample documents](#) page of www.lgpsregs.org.

Distribution and feedback

Please ensure that relevant staff in your organisation, including your bursar / finance managers, HR managers **and your payroll provider(s)** receive this newsletter. We also welcome any feedback on the format and content of this newsletter so if you have any comments or suggestions, or would like to add or change any of the contact details on our distribution list, please email employers@buckscc.gov.uk

Pension Fund Board

Title: i-Connect/Pensions 'Online' Update

Date: Wednesday 2 October 2019

Author: Steve Lugg

Contact officer: Steve Lugg 07856 074141

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The “my pension online” service is standard practice for scheme members. As at 19th September 2019, 34.04% of active members, 17.01% of deferred members and 24.08% of pensioner members have registered and the team is continuing to promote the service whenever possible.

i-Connect replaces the existing requirement for employers to submit spreadsheets or undertake an action with regard to new entrants, leavers, opt-outs and other changes and in particular removes the need to undertake the lengthy year-end return procedure.

Progress to date

79 employers are currently successfully submitting monthly data via the i-Connect live system and several more are involved in testing. It is being rolled out to all other employers and/or their payroll providers and from April 2019 it will become standard practice for new employers who join the Fund. A shortage of administrative staff in the internal BCC pensions team has led to a delay with the adoption of i-Connect on behalf of BCC staff and those academies for whom BCC provide payroll and LGPS data submission services and it is understood that there is currently no plan to resolve this issue. The Treasury Team has reported that for those employers using the reconciliation spreadsheet, differences are more easily reconciled.

Recommendation

Continue to roll out i-Connect to more employers and promote the use of ‘my pension online’ at every opportunity.

Supporting information to include the following if a decision is being requested:

Resource implications

Not applicable

Legal implications

Not applicable

Other implications/issues

Not applicable

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

Not applicable

Background Papers

Not applicable

Pension Fund Board

Title: Internal Administration Benchmarking

Date: Wednesday 2 October 2019

Author: Mark Preston, Head of Finance - Pensions, Investments & Projects

Contact officer: Sam Price, Assistant Pension Administration Manager,
01296 383370

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

Buckinghamshire County Council (as administering authority for the Buckinghamshire County Council Pension Fund) participated in the CIPFA Pensions Benchmarking Club until 2017. Data was submitted annually and the administration of the Fund was measured against other participating authorities. In 2018 it was agreed by Board that participation in this club was not beneficial as there is no consistency between funds regarding how the data is submitted. It was agreed that it would be of more use to have internal measures to compare year on year, for the Buckinghamshire County Council Pension Fund.

Recommendation

The Board are asked to note the attached report.

Supporting information to include the following if a decision is being requested:

Resource implications

None

Legal implications

None

Other implications/issues



None

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

Appendix 1

Buckinghamshire County Council Pension Fund Internal Administration Benchmarking 2019

This report is to compare performance and specific internal measures against previous years.

The report will cover the following sections

SECTION 1: [Staff Related Measures](#)

This section covers measures relating to the analysis of staff numbers by team, salary, pensions work experience & sickness.

SECTION 2: [Scheme Membership](#)

This section is to provide a breakdown of the scheme membership as at 31st March 2019 which is then used within the Section 3 figures.

SECTION 3: [Cost Measures](#)

This section focuses on cost per member ratios

SECTION 4: [Workload Measures](#)

This section of the report is to provide a comparison of outstanding workflow cases.

SECTION 1: Staff Related Measures

The Pensions & Investments team is split in four sub-teams

Benefit Administration – This team is responsible for the processing of all member benefits including responding to general queries, creating & maintaining member records and all calculations.

Employer Liaison – The Employer Liaison Team are the first point of contact for all employer queries & training. The team is also responsible for checking accuracy of annual returns against member records in order to provide accurate Benefit Statements.

Systems – The systems team are responsible for the pensions software system including maintaining, updating and development. They are also heavily involved in the uploading of annual returns & triannual valuations.

Treasury – The treasury team includes some staff members who work on pension fund aspects including the receipt and reconciliation of monthly contributions & annual returns.

Note: The team underwent a restructure effective 1st April 2019; this will be reflected in next years' benchmarking report.

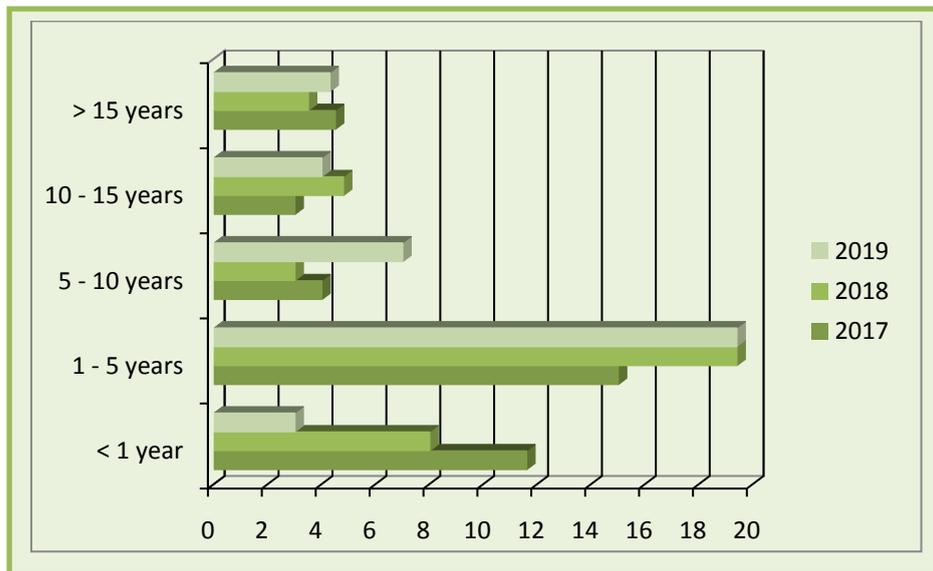
The following table gives a breakdown of staff levels within each sub-team for the past three years'. Staffing levels have remained at a consistent level overall.

Staff/Teams	2017		2018		2019	
	FTE	%	FTE	%	FTE	%
LGPS Admin						
Benefit Administration	22.8	60%	23.2	60%	21	56%
Employer Liaison	5.8	15%	7	18%	7.2	19%
IT/Systems	5.5	14%	3	8%	4	11%
Pensioner Payroll	2.5	7%	3	8%	3	8%
	36.6		36.2		35.2	
Non-LGPS Admin						
	1.5	4%	2.5	6%	2.5	7%
	38.1		38.7		37.7	
Agency Staff						
	1		1		0	

Staff pay	2017		2018		2019	
	FTE	%	FTE	%	FTE	%
> £75k	0	0%	0	0%	0	0%
£50k - £75k	0.5	1%	0.5	1%	0.5	1%
£40k - £50k	1.8	5%	1.8	5%	1.8	5%
£30k - £40k	5	13%	6.4	17%	6.4	17%
£25k - £30k	4	10%	5	13%	5.8	15%
£20k - £25k	20.8	55%	22.4	58%	21.6	57%
< £20k	6	16%	2.6	7%	1.6	4%
	38.1		38.7		37.7	

Staff experience is on average between 1 and 5 years as a result of additional posts being added over the past few years and recruited to. This is also indicative of experience within Administering Authorities nationally. We are highly focused on staff training to increase knowledge and also ensuring staff are motivated in order to retain staff and increase staff experience in terms of the number of years within the team. It is hoped that over the next few years the average years' experience will increase.

Staff Experience	2017		2018		2019	
	FTE	%	FTE	%	FTE	%
< 1 year	11.6	30%	8	21%	3	8%
1 - 5 years	15	39%	19.4	50%	19.4	51%
5 - 10 years	4	10%	3	8%	7	19%
10 - 15 years	3	8%	4.8	12%	4	11%
> 15 years	4.5	12%	3.5	9%	4.3	11%
	38.1		38.7		37.7	



Staff sickness levels have been a concern in previous years. The management team has worked to address any issues and manage staff sickness in line with the Buckinghamshire County Council Health & Attendance policy. The result has been a significant decrease in the average long term sickness and a reduction in short term absence as can be seen in the table below.

Staff Sickness	2017	2018	2019
	Days/FTE	Days/FTE	Days/FTE
Long-term sickness	11	5	2
Short-term sickness	12	10	7

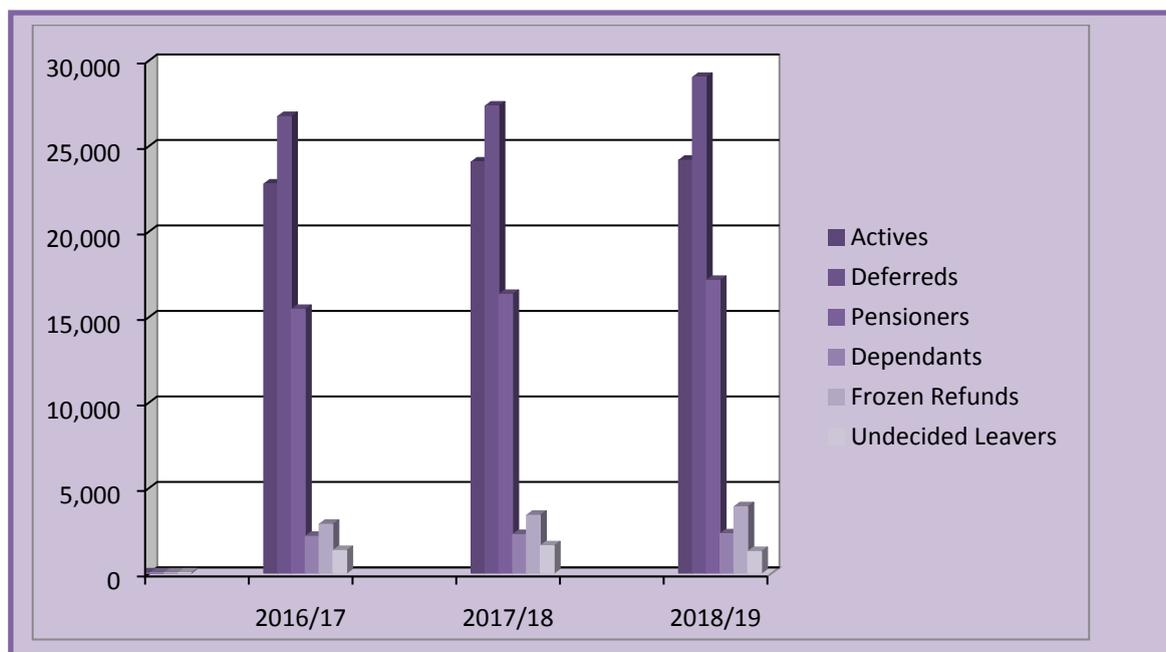
SECTION 2: Scheme membership

Three year analysis of scheme membership

Scheme membership	2016/17	2017/18	2018/19
Actives	22,754	24,042	24,141
Deferreds	26,699	27,313	28,991
Pensioners	15,420	16,297	17,117
Dependants	2,146	2,251	2,294
Frozen Refunds*	2,852	3,381	3,877
Undecided Leavers**	1,317	1,593	1,258
	71,188	74,877	77,678

*Frozen refunds are where a member holds an entitlement to a refund, have been advised of this but are yet to claim payment

**Undecided Leaver is where we are aware that a member has left employment but we are yet to receive the necessary information from the employer to calculate deferred benefits



The following table provides a staff to fund member ratio

Membership type	2017	2018	2019
Actives	1:582	1:606	1:624
Deferreds	1:789	1:813	1:905
Pensioners	1:449	1:467	1:515
Total	1:1820	1:1886	1:2060

Three year analysis of scheme employers

Employer Type	2017		2018		2019	
	Active	Ceased	Active	Ceased	Active	Ceased
Scheduled Body	170	25	191	35	191	38
Admitted Body	54	34	61	37	56	49
	224	59	252	72	247	87

SECTION 3: Cost Measures

The table below provides an analysis of cost per member of administering the Local Government Pension Scheme. This is further broken down to show the costs of staff costs and Heywood (software provider) as these are the highest two costs.

Membership type	2017	2018	2019
	£26.37 *	£24.57	£28.03
Actives	£8.43	£7.89	£8.71
Deferreds (inc FR/UL)	£11.43	£10.59	£12.31
Pensioners (inc Dep)	£6.51	£6.09	£7.00
<i>*Figure take from CIPFA benchmarking</i>			
	2017	2018	2019
Staffing costs	£1,477,388.84	£1,626,239.24	£1,617,921.03
Av. Cost per member	£20.75	£21.72	£20.83
Heywood Costs	£327,191.42	£405,878.54	£360,142.13
Av. Cost per member	£4.60	£5.42	£4.64

Staffing costs – These costs include all staff who administer the scheme including agency as well as non-admin staff from the Treasury team. A slight decrease in costs can be seen between 2017/18 & 2018/19 as a result of a reduction in staff of 1 FTE. Due to the team restructure effective 1st April 2019, additional posts have been created. It is therefore expected that staffing costs will increase over 2019/20.

Heywood Costs – Heywood costs include all costs incurred from Altair (pensions software system) including fees for maintenance, development & consultancy along with charge's for i-Connect. An increase in costs can be seen in the 2017/18 year which was a result of additional i-Connect charges.

SECTION4: Workload Measures

The pension's administration team's work from a workflow based system with each piece of work being an individual workflow called a task. Tasks are created on a daily basis as a result of a member request or being advised by an employer that a member is leaving/retiring. The team works through outstanding tasks on a daily basis in order to complete within the relevant turnaround times.

Workflow cases	
2016/17	
Cases outstanding at start of 01/04/2016	11,568
New cases during 2016/17	35,797
Cases completed in 2016/17	40,023
Cases outstanding at end of 31/03/2017	7,342
2017/18	
Cases outstanding at start of 01/04/2017	7,342
New cases during 2017/18	38,381
Cases completed in 2017/18	40,961
Cases outstanding at end of 31/03/2018	4,762
2018/19	
Cases outstanding at start of 01/04/2018	4,762
New cases during 2018/19	37,997
Cases completed in 2018/19	39,274
Cases outstanding at end of 31/03/2019	3,485

Average cases per member of staff	
2016/17	1,294
2017/18	1,263
2018/19	1,215

Based on LGPS Admin staff

A significant reduction in outstanding tasks can be seen over the last three years. Many of the remaining outstanding tasks are as a result of queries arising from year end returns and also relating to cases where the employers have not provided information regarding scheme members who have left employment. It has been noted earlier in the report that as at 31st March 2019 there were 1,258 'undecided leaver' members. Each of these will have an outstanding task.

Further statistics regarding workflow & tasks are provided as part of the 'Administration Performance Statistics' report that is provided to Board.

Pension Fund Board

Title: Breaches of the Law

Date: Wednesday 2 October 2019

Author: Mark Preston, Head of Finance - Pensions, Investments & Projects

Contact officer: Claire Lewis-Smith, 01296 383424

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The Procedure for Reporting Breaches of the Law was approved by the Pension Fund Committee in September 2018. The Procedure complies with the requirements of the Pensions Act 2004 and The Pensions Regulator's Code of Practice. The Procedure details how individuals responsible for reporting and whistleblowing can identify, assess and report (or record if not reported), a breach of law relating to the Buckinghamshire County Council Pension Fund. The Breach Log at Appendix 1 to this report, details the breaches recorded for 2018/19 and until 31 August 2019 for this year.

Recommendation

The Board is asked to NOTE the content of this report and COMMENT on the breaches log.

Supporting information to include the following if a decision is being requested:

Resource implications

N/A

Legal implications

The Procedure details how individuals responsible for reporting and whistleblowing can identify, assess and report (or record if not reported), a breach of law relating to the Buckinghamshire County Council Pension Fund. It aims to ensure individuals

responsible are able to meet their obligations and avoid placing any reliance on others to report. The Procedure will also assist in providing an early warning of possible malpractice and reduce risk.

Other implications/issues

N/A

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

<http://www.legislation.gov.uk/ukpga/2004/35/contents>

<http://www.legislation.gov.uk/ukpga/2013/25/contents>

<https://www.thepensionsregulator.gov.uk/en/document-library/codes-of-practice/code-14-public-service-pension-code-of-practice>

<https://www.buckscc.gov.uk/media/4512124/reporting-breaches-of-law-policy.pdf>

						provided is reviewed immediately. A resource proposal was agreed with one of the employers which has significantly reduced historical data queries																																																										
31/03/2019	Contributions	<p>Employees & employers contributions not received by the 19th of the month following the month in which they were deducted as follows:</p> <table border="1"> <thead> <tr> <th colspan="3">2018/19</th> </tr> <tr> <th colspan="3">Late Payments</th> </tr> </thead> <tbody> <tr> <td>1-10 days late</td> <td>69</td> <td></td> </tr> <tr> <td>11-30 days late</td> <td>33</td> <td></td> </tr> <tr> <td>1-3 months late</td> <td>19</td> <td></td> </tr> <tr> <td>4-7 months late</td> <td>28</td> <td></td> </tr> <tr> <td>8-11 months late</td> <td>17</td> <td></td> </tr> <tr> <td>12+ months late</td> <td>3</td> <td></td> </tr> <tr> <td></td> <td>169</td> <td></td> </tr> </tbody> </table> <p>Value received late £1,131,911.40</p> <table border="1"> <thead> <tr> <th colspan="3">Outstanding Payments</th> </tr> </thead> <tbody> <tr> <td>April</td> <td>9</td> <td></td> </tr> <tr> <td>May</td> <td>8</td> <td></td> </tr> <tr> <td>June</td> <td>8</td> <td></td> </tr> <tr> <td>July</td> <td>6</td> <td></td> </tr> <tr> <td>August</td> <td>6</td> <td></td> </tr> <tr> <td>September</td> <td>6</td> <td></td> </tr> <tr> <td>October</td> <td>6</td> <td></td> </tr> <tr> <td>November</td> <td>7</td> <td></td> </tr> <tr> <td>December</td> <td>7</td> <td></td> </tr> </tbody> </table>	2018/19			Late Payments			1-10 days late	69		11-30 days late	33		1-3 months late	19		4-7 months late	28		8-11 months late	17		12+ months late	3			169		Outstanding Payments			April	9		May	8		June	8		July	6		August	6		September	6		October	6		November	7		December	7		Non-compliance with Pensions Act 1995 and payments not made within the prescribed period set out in the Service Level Agreement	Employers who did not make payments within the prescribed timeframe were contacted and late payments addressed under the Pension Administration Strategy	Not reported. Reason for late payments was due to the employers procedures/ administration function and not due to an inability to make payment or cash flow problems	For the period April to September 2018 it took an average of 92.27 days to receive late payments. From October 2018 to March 2019 (post the introduction of the breaches log & revised procedure) the average to receive late payments reduced to 31.29 days.	N/A – Green breach with improvement plan continuing
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March	13	
	91	

Value outstanding £285,097.85

Record of Breaches – 2019/20

Date	Category (e.g. administration, contributions, funding, investment, criminal activity)	Description and cause of breach	Possible effect of breach and wider implications	Reaction of relevant parties to breach	Reported / Not reported (with justification if not reported and dates)	Outcome of report and/or investigations	Outstanding actions								
31/08/2019	Administration	100% of annual benefit statements not issued by statutory deadline, 97.26% issued.	Non-compliance with statutory regulations	None received	Reported to Pension Fund Committee on 13/09/2019 & Pension Board on 02/10/2019	A revised procedure was introduced for 2019/20 as only 79.06% of ABS were issued by the deadline in 2018. The considerable increase in the number of ABS issued is a substantial improvement	N/A – Green breach								
31/08/2019	Contributions	<p>Employees & employers contributions not received by the 19th of the month following the month in which they were deducted as follows:</p> <table border="1" data-bbox="504 1139 1077 1382"> <thead> <tr> <th colspan="2" data-bbox="504 1139 1077 1174">2019/20</th> </tr> </thead> <tbody> <tr> <td data-bbox="504 1179 790 1241">2018/19 outstanding amount</td> <td data-bbox="797 1179 1077 1241">£285,097.85</td> </tr> <tr> <td data-bbox="504 1246 790 1347">Payments received after 19/04/2019 in relation to 2018/19</td> <td data-bbox="797 1246 1077 1347">£31,587.99</td> </tr> <tr> <td colspan="2" data-bbox="504 1351 1077 1382">£253,509.86</td> </tr> </tbody> </table>	2019/20		2018/19 outstanding amount	£285,097.85	Payments received after 19/04/2019 in relation to 2018/19	£31,587.99	£253,509.86		Non-compliance with Pensions Act 1995 and payments not made within the prescribed period set out in the Service Level Agreement	None received	Not reported. Reason for late payments was due to the employers procedures/ administration function and not due to an inability to make payment or cash flow problems	For the period April to July 2019 it took an average of 14.34 days to receive late payments. This is an improvement on 2018/19	N/A – Green breach with improvement plan continuing
2019/20															
2018/19 outstanding amount	£285,097.85														
Payments received after 19/04/2019 in relation to 2018/19	£31,587.99														
£253,509.86															

2019/20		
Late Payments		
1-10 days late	22	
11-30 days late	9	
1-3 months late	4	
4-7 months late	1	
8-11 months late	-	
12+ months late	-	
	36	

Value received late £541,304.33

Outstanding Payments		
April	9	
May	9	
June	9	
July	42	
	91	

Value outstanding £258,397.05
 Plus 2018/19 £253,509.86
 Total outstanding £511,906.91

*New breaches since the previous meeting should be highlighted

Pension Fund Board

Title: GMP reconciliation/Rectification

Date: Wednesday 2 October 2019

Author: Mark Preston, Head of Finance - Pensions, Investments & Projects

Contact officer: Claire Lewis-Smith, 01296 383424

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The end of contracting-out of the Additional State Pension from April 2016 triggered a GMP reconciliation exercise which was initially required to be completed by 31 December 2018. This deadline has not been met due to HMRC amending the date for reporting final queries. The final extract is now expected to be received in late 2019.

The purpose of the exercise is to ensure that the information held by the Fund in relation to periods of Pension Fund members' contracted out employment correctly matches the data held by HMRC. Where information is incorrect and outside agreed tolerances, a rectification exercise will be undertaken which is scheduled for completion by autumn 2020.

Recommendation

The Board is asked to NOTE the report.

Supporting information to include the following if a decision is being requested:

The Fund engaged ITM to undertake the reconciliation and subsequent rectification exercise. ITM expect to complete the whole project by autumn 2020. Appendix 1 is the latest progress report from ITM.

Reconciled

ITM have identified 38,579 records where the Fund has no GMP liability - GMP is zero on both the administration and HMRC records.

5,201 are an exact match – GMP on the administration and HMRC records reconcile exactly.

6,980 records are within tolerance – the difference between the administration and HMRC GMP is less than the tolerance level set at £2 per week. This is in line with the Pensions Administration Standards Association (PASA) and the Local Government Association (LGA).

Proposal

Proposal made to client - there are 4,034 members where bulk analysis suggests that either the admin or HMRC data should be accepted and a decision from the client is required.

Proposal made to HMRC – there are 13 queries raised with HMRC where ITM have provided information to show that the member has no further liability in the scheme and HMRC should accept the admin data.

Unreconciled

There are 760 records where ITM are awaiting data from the client. These are as a result of bulk analysis where a review of member files is required to resolve a query that cannot be dealt with by the extraction of data from the administration database. ITM have raised 5,725 cases with HMRC which are awaiting data. This is expected by the end of the year in the final download. Once completed, ITM will move onto the final stage in the process, the rectification of records. The aim is for this to be completed by autumn 2020.

Resource implications

None

Legal implications

None

Other implications/issues

None

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

Appendix 1

Project Update for Buckinghamshire Pension Fund GMP Reconciliation

Gavin Penney
28 August 2019



Buckinghamshire Pension Fund GMP Reconciliation

Project Manager (ITM & Client):	Sarah Millson & Ruth Allison
Project Sponsor (ITM & Client):	Maurice Titley & Julie Edwards
Today's Date:	28 August 2019
Overall RAG Status:	Green
Project Start Date:	1 March 2018
Planned Completion Date:	30 November 2018
Estimated Completion Date:	30 September 2019
Predicted Variance:	10 months

Project commentary

RAG description	<p>HMRC queries are still outstanding, however the expectation is HMRC will continue to respond to all queries raised.</p> <p>HMRC have confirmed, as part of Countdown Bulletin 43, that they have introduced the following changes to their processes:</p> <ul style="list-style-type: none"> GMP values that would otherwise have been provided as part of a 'Clerical Team' response will now be supplied as part of a final SRS data extract, due to be produced by HMRC at the end of the reconciliation process. Bulk processing of similar query types from multiple file submissions by HMRC's clerical team. <p>The first point will require a change to be made to the way in which the final GMP values are incorporated into the reconciliation database; it is expected that the final SRS data (expected to be received late 2019) will also include changes to GMP values where other schemes have transferred liabilities as part of their own reconciliation processes. ITM will identify if any responses do not receive clerical responses and whether this impacts the reconciliation.</p> <p>The estimated completion date has been extended to allow for receipt and processing of the HMRC responses.</p>
Project concerns	None at this time.

Project dashboard – August 2019

Status	Reconciled					Proposal		Unreconciled			Other	
	No GMP liability	Exact match	Within tolerance	Accept HMRC	Accept Admin	Proposal made to client	Proposal made to HMRC	Awaiting data from client	Awaiting data from HMRC	Further review	N/A record	BAU
Active	16,583	301	234	879	918	438	-	46	926	41	4,052	12
Deferred Post GMP Age	562	122	49	36	57	53	1	22	60	5	370	-
Deferred Pre GMP Age	17,685	2,375	540	650	820	1,234	2	274	1,728	66	2,679	28
Pensioner Post GMP Age	3,056	1,722	5,711	847	841	276	9	136	941	49	516	2
Pensioner Pre GMP Age	579	503	93	239	9	49	-	31	76	15	3	-
Widow(er)	114	178	353	29	3	10	-	15	996	24	285	3
Unlinked dependant	-	-	-	-	1	-	-	-	-	-	29	-
Total on admin	38,579	5,201	6,980	2,680	2,649	2,060	12	524	4,727	200	7,934	45
Other admin	-	-	-	-	1,516	455	1	224	386	10	31,770	2
HMRC only	-	-	-	-	1	1,519	-	12	612	7	11,603	-
Total reported cases	38,579	5,201	6,980	2,680	4,166	4,034	13	760	5,725	217	51,307	47
Total reported cases - Baseline	25,990	4,738	6,078	-	-	-	-	-	695	49,288	32,866	-

Notes:

- Awaiting Data from/Proposal made to HMRC – includes reply files which are with both HMRC and ITM for processing
- Awaiting data from/Proposal made to Client – includes the population of the GMP reconciliation together with file review replies to be processed by ITM
- The 'Further Review' column contains cases that have been moved to that status following HMRC processing. Once all HMRC replies have been processed a final GMP value reconciliation will be run to deal with all of the outside tolerance cases

HMRC queries (SRS)

HMRC queries

HMRC Batch Ref	Topic	Number of queries	Queries Logged with HMRC	Expected reply date
989	Type 5 Not In Scheme (Automation)	176	28 February 2018	Full reply received
990	Not In Scheme	3	28 February 2018	Full reply received
991	Type 5 Was In Scheme (Automation)	516	28 February 2018	Full reply received
1000	On HMRC not Admin (Automation)	2,155	12 March 2018	Full reply received
1001	On HMRC not Admin	28	12 March 2018	Full reply received
1013	On Admin not HMRC (Automation)	8,889	3 April 2018	Full reply received
1056	Multiple HMRC Record Matching	142	15 May 2018	Full reply received
1091	Multiple Admin Record Matching	3	5 July 2018	Full reply received
1098	Deceased Members	15	16 July 2018	Full reply received
1108	Unlinked HMRC Dependants	15	25 July 2018	Full reply received
1132	Preserved Refunds	36	8 August 2018	Full reply received
1133	Refunds	1	9 August 2018	Full reply received
1134	Refunds	504	9 August 2018	Full reply received
1174	Bulk Transfer Out	27	30 August 2018	Full reply received
1188	Transfer Out	966	2 September 2018	Full reply received
1191	Revaluation Rate	32	4 September 2018	Full reply received
1201	On HMRC not Admin – Pass 2 (Multiples)	37	17 September 2018	Full reply received
1202	On HMRC not Admin – Pass 2	6	17 September 2018	Full reply received
1203	On Admin not HMRC – Pass 2 (Multiples)	740	18 September 2018	Full reply received
1204	On Admin not HMRC – Pass 2 (Automation)	1,578	18 September 2018	Full reply received
1205	On Admin not HMRC – Pass 2	3	18 September 2018	Full reply received
1255	COCIS	60,336	16 October 2018	Full reply received
1263 to 1270	GMP Value Reconciliation (Various)	606	18 October 2018	Full reply received
1387	On HMRC Not Admin	276	31 October 2018	Full reply received
1451	On HMRC Not Admin – Change of RPA	3	17 December 2018	Full reply received
1452	On HMRC Not Admin – Stalemate	506	17 December 2018	TBC
1486	On Admin not HMRC - Automation	1,853	21 December 2018	Full reply received
1488	On Admin not HMRC	10	21 December 2019	Full reply received
1492	On HMRC not Admin - Stalemate	7	27 December 2018	TBC

HMRC query responses

HMRC Batch Ref	Topic	Number of queries raised	Number of queries replied to	HMRC Response Date	Status
1000	On HMRC not Admin (Automation)	2,155	2,085	15 May 2018	Processed
990	Not In Scheme	3	3	11 June 2018	
1001	On HMRC not Admin	28	28	11 June 2018	
989	Type 5 Not In Scheme (Automation)	176	157	12 June 2018	Scheduled
991	Type 5 Was In Scheme (Automation)	516	429	12 June 2018	Scheduled
1013	On Admin not HMRC (Automation)	8,889	7,915	3 July 2018	Processed – outputs to be issued
1000	On HMRC not Admin (Automation)	2,155	70	9 September 2018	Processed
989	Type 5 Not In Scheme (Automation)	176	37	10 September 2018	Scheduled
991	Type 5 Was In Scheme (Automation)	516	87	13 September 2018	Scheduled
1056	Multiple HMRC Record Matching	142	142	9 October 2018	
1013	On Admin not HMRC (Automation)	8,889	70	23 October 2018	Processed – outputs to be issued
1174	Bulk Transfer Out	27	27	29 October 2018	
1091	Multiple Admin Record Matching	3	3	27 November 2018	
1098	Deceased Members	15	15	30 November 2018	
1108	Unlinked HMRC Dependants	15	15	4 December 2018	
1132	Preserved Refunds	36	36	5 January 2019	
1133	Refunds	1	1	5 January 2019	
1134	Refunds	504	504	5 January 2019	Processed
1201	On HMRC not Admin – Pass 2 (Multiples)	37	37	25 January 2019	
1188	Transfer Out	966	966	28 January 2019	Processed
1191	Revaluation Rate	32	32	28 January 2019	
1202	On HMRC not Admin – Pass 2	6	6	28 January 2019	
1205	On Admin not HMRC – Pass 2	3	3	28 January 2019	
1255	COCIS	60,336	60,336	28 January 2019	Data loaded
1486	On Admin not HMRC - Automation	1,853	1,853	31 January 2019	

File reviews

Batch	Topic	Date issued	Number of queries	Response received	Comments/Status
1	On Admin not HMRC – Pass 1	6 April 2018	174	22 June 2018	Processed
2	On HMRC not Admin – Pass 1	6 April 2018	8	22 June 2018	Processed
3	Multiple Admin Record Matching	6 July 2018	13	19 July 2018	Reconciliation status to be updated to accept admin
4	Dependant Linking	9 July 2018	11		Processed
5	Preserved Refunds	9 August 2018	219		Scheduled
6	Refunds	9 August 2018	276	13 September 2018	Scheduled
7	Deceased Members	14 August 2018	5		Reconciliation status to be updated to accept admin
8	Transfer Out	2 September 2018	159		
9	On HMRC not Admin – Pass 2	17 September 2018	1		
10	Other No Liability	18 September 2018	62		
	On HMRC not Admin – Pass 2	17 September 2018	1		
11	On Admin not HMRC – Pass 2	18 September 2018	8		
12	Matched Multiples	25 October 2018	11		
13	GMP Value Reconciliation	25 October 2018	360		Refer to member level spreadsheet and summary report
14	On HMRC Not Admin	14 December 2018	11		

Client proposal

No	Decision required	Members affected	Date raised	Status
1	GMP Value Reconciliation	360	25 October 2018	Refer to member level spreadsheet and summary report
2	On HMRC Not Admin	1,419	14 December 2018	Decision paper issued. Proposal to accept the administration position.

Client Advice

Batch	Topic	Number of queries	Date issued
1	On Admin not HMRC – Corrected NI Nos	96	6 April 2018
1	Preserved Refunds	52	9 August 2018
2	Refunds	1	9 August 2018
3	Deceased Members	2	14 August 2018
4	Outstanding Other Admin	26	14 December 2018

Progress reporting

Project Progress	
Planned last period and achieved	<ul style="list-style-type: none"> ▶ HMRC responses – Transfers Out ▶ HMRC responses – Refunds
Not planned last period but achieved	▶ Nothing to report for this period
Planned last period but not achieved	▶ Nothing to report for this period
Reasons for exceptions	▶ Nothing to report for this period

Planning	
Task and milestones planned next period	<ul style="list-style-type: none"> ▶ HMRC response processing ▶ Client responses processing
Items added to the project plan	▶ Nothing to report for this period

Key Risks and Issues

Risk	RAG Status	Mitigation	Status
HMRC are currently responding to queries in 3 to 4 months.	●	ITM will monitor HMRC's performance to determine how any change in service delay impacts the GMP reconciliation.	Open

Issue	RAG Status	Status
None		

Pension Fund Board

Title:	Training Opportunities
Date:	Wednesday 2 October 2019
Author:	Mark Preston, Head of Finance - Pensions, Investments & Projects
Contact officer:	Claire Lewis-Smith, 01296 383424
Local members affected:	N/A

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

Buckinghamshire Local Pension Board (BLPB) Members must have the required knowledge and understanding of Scheme rules, documents recording scheme administration policies and pensions law. They should have adequate training to meet the knowledge and understanding requirements. The results of a recent Training Needs Analysis questionnaire, completed by 6 out of 8 Board Members, are attached at Appendix 1.

Recommendation

The Board is asked to REVIEW training opportunities and DISCUSS future training needs.

BLPB Members are required to undertake adequate training to meet the responsibilities placed upon them by the:

- BLPB's Terms of Reference
- LGPS Regulations and associated legislation
- The Pensions Regulator
- CIPFA Code of Practice on Public Sector Pensions Finance Knowledge and Skills
- BLPB's Knowledge and Understanding Policy and Framework

Board Members are expected to complete The Pensions Regulator's Public Sector Toolkit which consists of seven modules; Conflicts of Interest, Managing Internal Risks and Controls, Maintaining Accurate Member Data, Maintaining Member Contributions, Providing Information to Members and Others, Resolving Internal Disputes and Reporting Breaches of the Law, and

visit these periodically. Board Members have been offered the following training/knowledge opportunities over the past year:

Training Opportunity	Attendee(s)
CIPFA/Barnett Waddingham Autumn LPB Member's Seminar – October 2018	
LGA Fundamentals – October - December 2018	Roona Ellis (Days 2&3) Tina Pearce (Days 1&2)
Annual LGPS Trustee Conference – January 2019	
In-house Year-end Training – March 2019	Tina Pearce
CIPFA/Barnett Waddingham Annual Event - June 2019	Roona Ellis Steve Mason Ian Thompson
In-house BW Actuarial Training - July 2019	Bev Black Pete Dearden Roona Ellis Joe McGovern Tina Pearce Lisa Wheaton
In-house Employer Training – August 2019	Bev Black Roona Ellis Lisa Wheaton
LGPC Fundamentals Training - Oct-Dec 2019	Tina (Due to attend Day 3)
CIPFA/Barnett Waddingham Autumn LPB Member's Seminar – October 2019	Tina (Due to attend) Steve (Due to attend)

Supporting information to include the following if a decision is being requested:

Resource implications

All training costs are met by the Pension Fund.

Legal implications

None

Other implications/issues

None

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

None

Training Needs Analysis			
	Fully understand	Mostly understand	Don't understand
Background and Understanding of the Legislative Framework of the LGPS & potential future developments			
Differences between public service pension schemes like the LGPS ad private sector trust-based schemes	3	3	
Role of the Independent Public Service Pensions Commission (IPSPC) and its recommendations	1	2	3
Key provisions of the Public Service Pensions Act 2013	2	3	1
The structure of the LGPS and the main bodies involved including the Responsible Authority, the Administering Authority, the Scheme Advisory Board, the Local Pension Board and the LGPS employers	5	1	
An overview of local authority law and how Administering Authorities are constituted and operate	1	5	
LGPS rules overview (including the Regulations, the Transitional Regulations and the Investment Regulations)	4	2	
Potential future developments and regulatory changes (Exit cap/Fair Deal etc.)		6	
General pensions legislation applicable to the LGPS – An overview of wider legislation relevant to the LGPS including:			
Automatic Enrolment (Pensions Act 2008)	5	1	
Contracting out (Pensions Schemes Act 1993)	5		1
Data protection (Data Protection Act 2018)	4	2	
Employment legislation including anti-discrimination, equal treatment, family related leave and redundancy rights	2	3	1
Freedom of Information (Freedom of Information Act 2000)	3	3	
Pensions sharing on divorce (Welfare Reform and Pensions Act 1999)	3	1	2
Tax (Finance Act 2004)	3	2	1
IORP II Directive	2	1	3

Role and responsibilities of the Local Pension Board			
Role of the Local Pension Board	6		
Conduct and conflicts	6		
Reporting of breaches	6		
Knowledge and understanding	5	1	
Data protection (in the context of LPBs)	5	1	
Role and responsibilities of the Administering Authority			
Membership and eligibility	4	2	
Benefits and the payment of benefits	4	2	
Decisions and discretions	4	2	
Disclosure of information	3	3	
Record keeping	4	2	
Internal controls	4	2	
Internal dispute resolution	4	2	
Reporting of breaches	4	2	
Statements, reports and accounts	4	2	
Funding and Investment			
Requirement for triennial and other valuations	5	1	
Rates and adjustments certificate	2	4	
Bulk transfers	4	2	
Funding strategy statement	4	1	1
Investment Strategy Statement	4	1	1
CIPFA guidance	2	3	1
Appointment of investment managers by Brunel Pension Partnership	3	2	1
Role of the custodian	2	3	1
Role and responsibilities of Scheme employers			
Explanation of different types of employers	5	1	
Additional requirements for admission bodies	1	5	
Automatic enrolment	5	1	
Deduction and payment of contributions	5	1	
Special contributions	2	3	1
Employer decisions and discretions	5	1	
Redundancies and restructuring (including the Local Government (Early Termination of Employment) (Discretionary Payment) (England and Wales) Regulations 2006)	2	2	2
TUPE and outsourcing (including Fair Deal and the Best Value Authorities Staff	3	2	1

Transfers (Pensions) Direction 2007)			
Tax and contracting Out			
Finance Act 2004	3	2	1
Role of HMRC	4	1	1
Role of 'Scheme administrator'	5	1	
Tax relief on contributions	4	1	1
Taxation of benefits	4	1	1
Annual and lifetime allowances	3	1	2
Member protections (primary, enhanced, IP etc.)	3	2	1
Contracting out (Pensions Scheme Act 2003)	3	2	1
Impact of abolition of contracting out in 2016	3	2	1
Role of advisors and key persons			
Officers of the administering authority	5	1	
Fund actuary	5	1	
Auditor	6		
Lawyers	4	2	
Custodians	2	4	
Brunel Pension Partnership	4	2	
Administrators – in house v third party	3	2	1
Procurement of services	2	4	
Contracts with third parties	2	4	
Key bodies connected to the LGPS – an understanding of the roles and powers of:			
Courts	1	4	1
Financial Conduct Authority	2	4	
HMRC	3	3	
Ministry of Housing, Communities & Local Government (MHCLG)	2	4	
Information Commissioner	2	4	
Pensions Advisory Service	3	3	
Pensions Ombudsman	3	3	
The Pensions Regulator (including powers in relation to Local Pension Boards)	3	3	

Pension Fund Board Forward Plan

Updated	18-Sep-19
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02/10/2019		Aylesbury, County Hall	
Mezz 2, 10.30-12.30	Agenda Item	Author	Cyclical Item?
	Apologies / Declarations of interest / Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	BCC Pension Fund Employer Newsletter - September 2019	Cheryl Platts	Every meeting
	i-Connect/Pensions 'Online' Update	Steve Lugg	Bi-annually
	Internal Administration Benchmarking	Sam Price	Annually
	Breaches of the Law	Claire Lewis-Smith	Annually
	GMP reconciliation/Rectification	Claire Lewis-Smith	Ad hoc
	Training Opportunities	Claire Lewis-Smith	Annually
	Forward Plan	Claire Lewis-Smith	Every meeting
	Annual Benefit Statements - Administration Year End Update	Claire Lewis-Smith	Every meeting
	Exclusion of Press and Public		
	Annual Benefit Statements - Confidential Appendix	Claire Lewis-Smith	Ad-hoc
	Confidential Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Brunel Pension Partnership Update	Julie Edwards	Every meeting
	Date of next meeting / AOB	--	

18/12/2019		Aylesbury, County Hall	
Mezz 2, 10.00-12.30	Agenda Item	Author	Cyclical Item?
	Apologies / Declarations of interest / Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Administration performance statistics	Sam Price	Every meeting
	Internal Dispute Resolution Procedure	Sam Price	Annually
	Forward Plan	Claire Lewis-Smith	Every meeting
	Annual Benefit Statements - Administration Year End Update	Claire Lewis-Smith	Every meeting
	Exclusion of Press and Public		
	Annual Benefit Statements - Confidential Appendix	Claire Lewis-Smith	Ad-hoc
	Confidential Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Brunel Pension Partnership Update	Julie Edwards	Every meeting
	Date of next meeting / AOB	--	

Pension Fund Board Forward Plan

Updated	18-Sep-19
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March 2020		Aylesbury, County Hall	
	Agenda Item	Author	Cyclical Item?
	Apologies / Declarations of interest / Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	BCC Pension Fund Employer Newsletter	Cheryl Platts	Every meeting
	Scheme member and employer communications	Cheryl Platts	Annually
	i-Connect/Pensions 'Online' Update	Claire Lewis-Smith	Bi-annually
	Annual Review of Buckinghamshire Pension Board	Claire Lewis-Smith	Annually
	Pension Administration Strategy	Claire Lewis-Smith	Tri-annually
	Administration performance statistics	Sam Price	Every meeting
	Forward Plan	Claire Lewis-Smith	Every meeting
	Annual Benefit Statements - Administration Year End Update	Claire Lewis-Smith	Every meeting
	Exclusion of Press and Public		
	Annual Benefit Statements - Confidential Appendix	Claire Lewis-Smith	Ad-hoc
	Confidential Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Brunel Pension Partnership Update	Julie Edwards	Every meeting
	Date of next meeting / AOB	--	

July 2020		Aylesbury, County Hall	
	Agenda Item	Author	Cyclical Item?
	Apologies / Declarations of interest / Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	BCC Pension Fund Employer Newsletters	Cheryl Platts	Every meeting
	Pension Fund Annual Report 2019/20	Cheryl Platts	Annually
	Review of Buckinghamshire Pension Board Policies	Claire Lewis-Smith	Annually
	Annual Benefit Statements - Administration Year End Update	Claire Lewis-Smith	Every meeting
	Administration performance statistics	Sam Price	Every meeting
	GMP Reconciliation	Claire Lewis-Smith	Ad hoc
	Risk Register	Julie Edwards	Annually
	Forward Plan	Claire Lewis-Smith	Every meeting
	Exclusion of Press and Public		
	Confidential Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Brunel Pension Partnership Update	Julie Edwards	Every meeting

Pension Fund Board Forward Plan

Updated	18-Sep-19
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Date of next meeting / AOB	--
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Pension Fund Board

Title:	Annual Benefit Statements - Administration Year End Update
Date:	Wednesday 2 October 2019
Author:	Mark Preston, Head of Finance - Pensions, Investments & Projects
Contact officer:	Claire Lewis-Smith, 01296 383424
Local members affected:	N/A

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

Regulation 89 of the Local Government Pension Scheme Regulations 2013 require an administering authority to issue an annual benefit statement no later than 5 months after the end of the Scheme year to which it relates (31 August). The purpose of this report is to inform the Board of the position at 31 August 2019.

Recommendation

The Board is asked to NOTE the content of this report.

As at 20 September 2019 1 employer was yet to submit their annual return and 1 employer had a revised return outstanding. The number of scheme members affected by this delay is 12.

In total, 258 returns were due in respect of 243 employers (some employers had a change in payroll provider during the year which requires separate returns). 241 employers who submitted an accurate annual return for 2018/19 had annual benefit statements published/printed for their active members, where there were no data queries, by 31 August 2019. Of the 241 received, 196 of the employers processed had 100% accurate data.

45 employers have outstanding year end queries, totalling 866, on their member's records. This compares to 60 employers with 2,400 queries at this point in the 2017/18 exercise.

Of the 866 queries remaining, 282 relate to members who have left the LGPS, leaving 584 in relation to active members. Totals relating to each individual employer can be found in the confidential appendix to this report.

There were 22,442 active members as at 31 March 2019 and 21,818 annual benefit statements were issued by the statutory deadline, equating to 97.26% of the active membership. This is significantly more than the percentage issued by this point in 2018 of 79.06%.

Supporting information to include the following if a decision is being requested:

Resource implications

None

Legal implications

None

Other implications/issues

None

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

None

Employer	Pre					TOTAL	Leavers
	2018/19	2017/18	2016/17	2015/16	2015/16		
Alfriston School		2			2	4	4
Aspire Schools Academy	2					2	
Aston Clinton Parish Council	1					1	
Aylesbury College	16	3				19	2
Aylesbury Grammar School	1		1			2	1
Aylesbury Vale Academy					5	5	5
Bourne End Academy	2	8				10	1
Bourton Meadow Academy			1		1	2	
Buckinghamshire C.C*	60	22	10	34	40	166	94
Bucks MK Fire Authority		2				2	1
Bucks New University	61	3	1		3	68	3
Bucks University Tech College					1	1	1
Burnham Park E-ACT Academy	4	1				5	
Bushfield School	1					1	
Chalfont Valley E-Act Academy	1					1	
Charles Warren Academy	1			1	1	3	3
CSALT (Woughton Leisure Centre)	2					2	
Cucina Restaurants (Denbigh School)	1					1	
Denbigh School(Academy)	4	1	1		1	7	2
Dr Challoners Grammar School		1				1	1
Dr Challoner's High School	1					1	1
Fujitsu (TVP)	1					1	
Germander Park School				1		1	1
Glastonbury Thorn First School	1					1	1
Great Missenden CofE Combined Academy	1					1	
Heritage Care					1	1	1
Holmer Green Senior (Academy)	11					11	
Ivingswood Academy	1					1	
John Hampden Grammar School	2			2	1	5	3
Knowles Primary (Academy)	1					1	

Employer	Pre					TOTAL	Leavers
	2018/19	2017/18	2016/17	2015/16	2015/16		
Milton Keynes College	5					5	3
Milton Keynes Council**	321	8	13	26	100	468	138
Monkston Primary Academy	2					2	
New Bradwell School (Academy)			1	2		3	3
Oakgrove School	2					2	
Olney Infant Academy	1					1	
Orchard Academy	1					1	
Ousedale School (Academy)	1					1	
Oxley Park Academy	1					1	
Risboro Primary Sch (Academy)	3					3	
Royal Grammar School (Academy)	1					1	
Shenley Brook End Sch(Academy)	5					5	1
Sir William Ramsay School	1					1	
St Pauls RC School	1					1	
Stantonbury Campus	18	3				21	3
The Bridge Academy	1					1	
The Hazeley Academy	2					2	
The Premier Academy	1	1				2	
Two Mile Ash (Academy)			2	2		4	4
Water Hall Primary (Academy)	1					1	
Waterside Combined Academy	2					2	
Wooburn Green Primary Academy	1					1	
Woughton Community Council	3		1			4	1
Wycombe DC		1				1	
Wyvern School	1					1	1
Total	551	56	31	68	156	862	279

BCC						
BCC	53	5	0	0	0	58
SE	7	17	10	34	40	108
						166
	60	22	10	34	40	

MKC						
MKC	274	0	0	5	25	30
SE	28	7	13	21	72	113
Other	19	1			3	
						143
	321	8	13	26	100	

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