

Pension Fund Consultative Group

Title: Pension Administration Strategy

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Author: Claire Lewis-Smith

Contact officer: Claire Lewis-Smith, 01296 383475

Electoral divisions affected: None

Summary

Buckinghamshire County Council Pension Fund originally implemented a Pension Administration Strategy in June 2010. The Local Government Pension Scheme Regulations require an administering authority to consult with Scheme employers when making revisions to the Strategy. The Strategy, along with the Service Level Agreement (SLA), has been revised in light of the changes coming into effect on 1 April 2014.

Recommendation

Members are asked to:

Consider and comment on this report.

Supporting information

The revised Pension Administration Strategy (Appendix A) will be issued to all Scheme employers in advance of the LGPS 2014 coming into effect on 1 April 2014. It highlights, amongst other things, the procedures for liaison and communication and establishes levels of performance which both the administering authority and Scheme employers are expected to achieve. Those levels of performance are specified in the Service Level Agreement (Appendix B). The SLA sets out the procedures to be followed by both Scheme employers and the administering authority and detail the time each procedure is expected to be completed by. **XXX Mention ESS???** All Scheme employers will be asked to sign up to the SLA. We have historically had difficulties where a Scheme employer has an outsourced payroll provider who is not providing information in line with the timescales set out in the SLA. Irrespective of this, the Strategy permits any additional administration costs to be charged to an employer regardless of whether they have signed the SLA. The Strategy has been used to underline the



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importance of the receipt of accurate and timely data which has shown an improvement in some employers where there are performance issues.

The Strategy and SLA will be updated with material changes where necessary and at the very least, be reviewed every three years in line with the triennial valuation of the Pension Fund.

Resource implications

The Strategy is key to improving the quality of member data held. In the long term it will assist in keeping administration costs at a reasonable level and ensure that costs are fair across all Scheme employers. To date charges have not been raised but we will be revising our workflow system so that reports can be obtained easily to identify where timescales are not being met. Where a continuing issue is identified with a Scheme employer's performance, the procedure set out in the Strategy will be followed. Where all necessary support has been given to a Scheme employer and the level of performance has not improved to an acceptable standard, the Scheme employer will be charged in accordance with the Charging Schedule included within the Strategy.

Legal implications

N/A

Other implications/issues

N/A

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

N/A

Background Papers

Appendix A: Pension Administration Strategy
Appendix B: Service Level Agreement
