

Agenda

PENSION FUND CONSULTATIVE GROUP

Date: Wednesday 8 October 2014
Time: 10.00 am
Venue: Mezzanine Room 2, County Hall, Aylesbury

Agenda Item	Page No
1 APOLOGIES / CHANGES IN MEMBERSHIP	
2 MINUTES The minutes of the meeting held on 19 March 2014 to be confirmed as correct record.	3 - 6
3 ADMINISTERING AUTHORITY DISCRETIONS Report and Appendix attached. Members are asked to consider and comment on the Statement of Discretions.	7 - 24
4 CIPFA PENSIONS ADMINISTRATION BENCHMARKING CLUB Buckinghamshire County Council (as administering authority for the Buckinghamshire County Council Pension Fund) participates in the CIPFA Pensions Benchmarking Club. The final report is attached for Members to note and comment on.	25 - 50
5 PENSIONS ADMINISTRATION PERFORMANCE Report and survey results attached.	51 - 60
6 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)	
7 CONFIDENTIAL MINUTES To confirm the confidential minutes of the meeting held on 19 March 2014.	61 - 64



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8 FUND MANAGER PERFORMANCE

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Report attached.

9 ANY OTHER BUSINESS

10 DATE OF NEXT MEETING

The next meeting is due to take place on 18 March 2015.

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: Liz Wheaton on 01296 383856
Fax No 01296 382421, email: ewheaton@buckscc.gov.uk*

Members

Mr P Hardy (C)

Ms S Burgess, Admitted Body Representative - Heritage Care

Mr S Cox, Pensioner Representative

Ms C Daltry, People and Policy Representative

Mr R Bowman, Employee Representative

Mr S Mason, Aylesbury Vale District Council Representative

Mr J McMillan, Wycombe District Council Representative

Ms T Pearce, Chiltern District Council Representative

Ms L Turvey, Admitted Body Representative - Fremantle Trust

Mr J Burness, South Bucks District Council

Mr G Waghorn, Milton Keynes Council

Ms J Edwards, BCC Finance Representative

Mr I Thompson, Thames Valley Police

Mr P Dearden, Unison Representative

Minutes

PENSION FUND CONSULTATIVE GROUP

MINUTES OF THE MEETING OF THE PENSION FUND CONSULTATIVE GROUP HELD ON WEDNESDAY 19 MARCH 2014, IN MEZZANINE ROOM 3, COUNTY HALL, AYLESBURY, COMMENCING AT 10.01 AM AND CONCLUDING AT 11.00 AM.

MEMBERS PRESENT

Mr S Cox, Pensioner Representative
Ms C Daltry, People and Policy Representative
Mr R Bowman, Employee Representative
Ms T Pearce, Chiltern District Council Representative
Ms J Edwards, BCC Finance Representative
Mr P Dearden, Unison Representative
Mr R Scott, Buckinghamshire County Council

OFFICERS PRESENT

Mr C Thompson, Principal Pensions Officer (Systems and TPP)
Mr M Preston, Assistant Service Director (Finance Centre of Expertise)
Mrs E Wheaton, Democratic Services Officer
Mrs C Lewis-Smith, Principal Pensions Officer

AGENDA ITEM

1. APOLOGIES / CHANGES IN MEMBERSHIP

Apologies were received from Peter Hardy, Liz Turvey and Ian Thompson.

Peter Dearden has replaced Robert Walter as the Unison representative on the Pension Fund Consultative Group.

County Councillor Richard Scott (Vice-Chairman of the Pension Fund Committee) chaired the meeting.

2. MINUTES

The minutes of the meeting held on Wednesday 9 October 2013 were agreed as a correct record.



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3. PENSION ADMINISTRATION STRATEGY

The Principal Pensions Officer explained that the Bucks County Council Pension Fund originally implemented a Pension Administration Strategy in June 2010. She made the following main points during her presentation.

- The Strategy, along with the Service Level Agreement (SLA), has been revised in light of the changes coming into effect on 1 April 2014 and will be issued to all Scheme employers. It highlights the procedures for liaison and communication and establishes levels of performance which both the administering authority and Scheme employers are expected to achieve.
- Historically there have been some 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. The Strategy permits any additional administration costs to be charged to an employer regardless of whether they have signed the SLA.
- The Strategy is key to improving quality of member data held. 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.
- Employees who are eligible for LGPS membership can elect to pay half of the pension contribution due and receive half of the benefit (1/98th). The Employer of a member electing for the 50/50 section is required to give the member information about the effect on that member's likely benefit as a result of that election. There will be a factsheet available for employers on the 50/50 membership.
- From 1 April 2014, members can no longer elect to pay ARCs but may make an election to buy extra annual pension up to a maximum of £6,500 using an APC contract.
- Some members may have made an election prior to 1 April 2014 to buy added years via payment of additional contributions. There is a model on the LGPS website to assist with working out how much it would cost.
- A change in hours will require a re-assessment by BCC to the level of membership purchased/amount to be deducted.
- In terms of maternity, paternity and adoption leave, the member should elect within 30 days of their return if they want to buy back the period of authorised unpaid leave. If they do so, the cost of the APC is split between the member and the employer, with the member paying 1/3rd of the cost and the employer paying 2/3rds of the cost.
- If a member wishes to buy back the pension 'lost' in respect of strike action, they can do so via an APC contract. Contributions are no longer assessed as 16% of pensionable pay.
- A member can elect to retire at any age between 55 and their Normal Pension Age (NPA) and claim their pension benefits.
- The 85 year rule does not automatically apply but the employer can "switch" the 85 year rule back on for pre 1 April 2014 benefits.
- When benefits are paid earlier than normal, there may be a cost to the BCC Pension Fund. If an Employer decides to retire someone early (other than on ill health grounds or in some flexible retirement cases) they will be required to pay a contribution to meet the cost of the strain on the Fund. The Accounting Standards have changed and the Employer will now be sent an invoice immediately after the retirement has been processed for the full amount of pension strain due. This reduces the level of risk for the Employer.
- Annual Benefit Statements will be sent to all Scheme employers by 5 October

2014 and by 31 August in each subsequent year for circulating to Scheme members.

- The forms have been updated to reflect the changes outlined above.

During discussion, Members asked the following questions.

- **Does the 50/50 section affect an employee's death in service benefit?** The officer responded by saying that it does not affect this and the benefit remains the same. She went on to say that the pensionable pay definition has been updated and now includes flexible pay. Up until April 2014, pensionable pay excludes overtime pay but from April 2014 onwards, overtime pay will be included.
- **A member asked where all the employee information is held.** The officer explained that the information is held on the individual employer payroll system.
- **Are there penalties in place for Employer's who do not adhere to the timelines?** The officer responded by saying that if an Employer does not have a Discretionary policy, then the team will not process the information. The SLA also includes a charging strategy for Employer's who are constantly being chased for their information. This has not been enforced to date but will be from now on.
- **Why has the date for circulating the Annual Benefit Statements been changed to October?** The officer said that this date has been set out in the LGPS regulations and all scheme members are notified of their tax allowance on their annual benefit statement.

The officer concluded by saying that from April 2015, the Pensions Regulator will become more involved in the process and will ask the administering authority how many annual benefit statements it has issued and will then fine Employers who have not issued benefit statements.

The Chairman thanked the officer for her presentation.

4. PENSIONS ADMINISTRATION PERFORMANCE

The Principal Pensions officer referred members to his report and made the following main points.

- The Pensions Administration team have a customer charter outlining their commitment to turning work around within certain timescales. All post and requests for information are logged daily and reported on a monthly basis to monitor the percentage of work that is not completed.
- In November 2013, the Pensions team were notified of 64 new retirements from active status, with 112 new payroll records created.
- The pensioner payroll now numbers 16,000 plus with a total monthly value of £6m when taking into account regular monthly payments and one-off payments such as retirement lump sums, transfer values and death grants.
- In November 2013, 251 new queries were received from scheme members, deferred pensioners and pensioners and the Employer Liaison Team dealt with approximately 700 year end queries.
- The team also dealt with queries arising from the valuation data raised by the Actuary.
- At present, the number of retirements the team are dealing with are exceptionally high and this is a priority as pensions need to be paid in a timely manner.
- There have been some technical glitches with the software suppliers so the roll-

out of the Employer and Member Self Service has been slightly delayed but work is currently being undertaken to resolve the problems.

During discussion, Members asked the following questions.

- **Do you think the resourcing levels are right within the team?** The Assistant Service Director of Finance explained that resourcing is continually under review. The nature of the work is shifting and there has been an increase in the number of Admission Agreements as a result of outsourcing. Additional resources will be put in place as and when required. He explained that it is a fine balance between keeping the costs down whilst still being able to produce the work. The officer added that there are three new pensions officers who are currently receiving their training but they cannot support the retirement team just yet.
- **How frequently is the CIFFA benchmarking report published?** The officer responded by saying that the data is submitted to CIFFA in July and the report is published in the Autumn. It will be on the agenda for the PFCG's October meeting. The Assistant Service Director of Finance went on to say that the CIFFA statistics do not accurately reflect employer information.
- **A member suggested that the CIFFA report could be included in the papers for all the PFCG's meetings.**

The Assistant Service Director of Finance concluded by saying that if Employers can submit their information on time then it will help the team enormously and assist them in managing their workloads more effectively.

5. 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)

6. CONFIDENTIAL MINUTES

The confidential minutes of the meeting held on Wednesday 9 October 2013 were agreed as a correct record.

7. FUND MANAGERS' PERFORMANCE

The Pensions & Investments Manager took Members through her report.

8. DATE OF NEXT MEETING

The next meeting is due to take place on Wednesday 8 October 2014 at 10am.

CHAIRMAN

Pension Fund Committee

Title: Administering Authority Discretions

Date: 8 October 2014

Author: Claire Lewis-Smith

Contact officer: Claire Lewis-Smith 01296 383475

Electoral divisions affected: None

Summary

The Local Government Pension Scheme Regulations permit an administering authority to exercise various discretions. Buckinghamshire Pension Fund's last Statement of Discretions was published in relation to the Local Government Pension Scheme Regulations 2007/2008. The Local Government Pension Scheme Regulations 2013 introduced new discretions and this report details the revised discretions statement, approved by Pension Fund Committee on 11 September 2014, to incorporate these changes. The full list of discretions is attached as Appendix A

Recommendation

Members are asked to:

Consider and comment on the Statement of Discretions.

Resource implications

None

Legal implications

The Statement of Administering Authority's Discretions will ensure Buckinghamshire County Council, as administering authority for the Buckinghamshire Pension Fund, complies with both the current and preceding Local Government Pension Scheme Regulations.

Other implications/issues



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Although there is only a requirement for an Administering Authority to have a written statement in relation to some discretions (marked with * on the Appendix), a decision was taken to have a written statement on all the relevant discretions, so that Scheme Employers and Scheme Members are aware of the Administering Authority's decision in all cases.

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

None

Background Papers

<http://www.lgpsregs.org/images/AdministrationGuides/Discretionsv1.2clean>

<http://www.lgpsregs.org/index.php/regs-legislation>

<http://www.lgpsregs.org/index.php/regs-legislation/timeline-transitional-regulations-2014>

Buckinghamshire County Council Pension Fund Administering Authority's Statement of Discretions

Discretion	Regulation	Recommendation	Background information for Pension Fund Consultative Group
Whether to agree to an admission agreement with a Care Trust, NHS Scheme employing authority or Care Quality Commission	R4(2)(b) 2013	Applications will be agreed to subject to actuarial assessment of risk and where risk is identified, the appropriate indemnity or bond required to be approved by the BCCPF	Admission agreements are a common occurrence within the LGPS. Providing an actuarial assessment is performed and any risk identified is indemnified against, there is minimal risk to the Pension Fund
Whether to agree to an admission agreement with a body applying to be an admission body	R5(5) & Sch 2, Part 3, para 1 2013	Applications will be agreed to subject to actuarial assessment of risk and where risk is identified, the appropriate indemnity or bond required to be approved by the BCCPF	Admission agreements are a common occurrence within the LGPS. Providing an actuarial assessment is performed and any risk identified is indemnified against, there is minimal risk to the Pension Fund
Whether to terminate an admission agreement in the event of <ul style="list-style-type: none"> • Insolvency, winding up or liquidation of the body • breach by that body of its obligations under the admission agreement • failure by that body to pay over sums due to the Fund within a reasonable period of being requested to do so 	RSch 2, Part 3, para 9(d) 2013	BCCPF will terminate an admission agreement where any of the circumstances detailed occur	Where a body becomes insolvent, is wound up or enters into liquidation the BCCPF will terminate the admission agreement and obtain an actuarial assessment of the assets and liabilities pertaining to that body. Any deficit funding will be recovered via the indemnity/bond provided and where insufficient, via the letting authority

Define that is meant by “employed in connection with”	RSch 2, Part 3, para 12(a) 2013	BCCPF define this as from the effective date, the admission body will provide services or assets in connection with the functions of a Scheme Employer as a result of a transfer of services or assets, by means of the contract for the provision of services between the Scheme Employer and Admission Body	This definition is required to ensure only those employees who are employed under the contract to provide services to the Scheme Employer letting the contract are eligible for LGPS membership
Whether to turn down a request to pay an APC/SCAPC over a period of time where it would be impractical to allow such a request	R16(1) 2013	BCCPF will not turn down a request to pay monthly and insist on a one off payment where the payment is small	If an APC/SCAPC payment is small it could be paid in a single payment rather than deducted monthly from pay. However, there is no difference time wise in setting up a one off payment or a regular payment on payroll systems
Whether to require a satisfactory medical before agreeing to an application to pay an APC/SCAPC	R16(10) 2013	BCCPF will require any members applying to pay an APC contract (excluding those to pay for lost pension) to sign a declaration that they are in good health in relation to their age and to provide details of any period of sickness exceeding 2 weeks within the last 2 years. If unable to sign the declaration or if there has been significant sickness, BCCPF will ask for a GPs letter confirming they are in good health the cost of this being met by the member	There is a financial risk to the BCCPF if a member enters into an APC contract (excluding those to pay for lost pension) and subsequently retires on ill health grounds. In these circumstances the contract is deemed to be paid in full and the cost falls to the Fund
Whether to turn down an application to pay an APC/SCAPC if not satisfied that the member is in	R16(10) 2013	BCCPF will turn down an application to pay an APC/SCAPC if not satisfied the member is in reasonably good health	There is a financial risk to the BCCPF if a member enters into an APC contract (excluding those to pay for lost pension) and subsequently retires on ill health

reasonably good health			grounds. In these circumstances the contract is deemed to be paid in full and the cost falls to the Fund
Whether to charge a member for provision of an estimate of additional pension that would be provided by the Scheme in return for a transfer of in-house AVC/SCAVC fund)	TP15(1)(b) 2014 A25(3) 2008 A28(2) 2008	No charge will be made by the BCCPF	The provision of this type of estimate does not require a large amount of resource and is provided as standard to BCCPF members
Decide to whom any AVC/SCAVC monies (including life assurance monies) are to be paid on the death of the member	R17(12) 2013	Payment of any AVC/SCAVC monies will be made to the member's nominated beneficiary. Where a nomination has not been made, payment will be made to the verified next of kin. If there is doubt over to whom payment should be made, payment will be made upon production of Grant of Probate or Letters of Administration	This is the same procedure that is followed for payment of main scheme death grant benefits
Pension account may be kept in such form as is considered appropriate	R22(3)(c) 2013	A member's pension account will be kept on the BCCPF's computerised pensions database	
Decide, in the absence of an election from the member within 12 months of ceasing a concurrent employment, which continuing employment the rights from the ceased concurrent employment should be aggregated with (where there is more than one ongoing	TP10(9) 2014	BCCPF will aggregate the rights from the ceased concurrent employment with the ongoing employment which has been ongoing for the longest period of time	Aggregation reduces the amount of deferred pension accounts the BCCPF has to administer

employment)			
* Whether to waive, in whole or part, actuarial reduction on benefits paid on flexible retirement	R30(6) 2013 TP11(2) 2014	BCCPF will not waive actuarial reductions where it is acting as the Employer where an Employer has become defunct	Waiving of reductions will result in a strain on Fund costs. As the member's Employer is defunct, the cost would have to be met by the BCCPF
Whether to require any strain on Fund costs to be paid "up front" by a Scheme Employer following payment of benefits under R30(6) (flexible retirement), R30(7) (redundancy/business efficiency), or R30(8) (the waiver, in whole or in part, of any actuarial reduction that would otherwise have been applied to benefits which a member voluntarily draws before normal pension age or to benefits drawn on flexible retirement)	R68(2) 2013	BCCPF will require payment of a strain on Fund cost "up front" where a member receives payment of benefits under R30(6) & R30(7), if the member is aged under age 60. Where a member receives benefits under R30(8) and reductions are waived, payment of the strain on Fund cost is required "up front" regardless of the member's age	Payment of strain on Fund costs in cases of redundancy, business efficiency and flexible retirement is required up front prior to age 60 as there is a high likelihood that the period to the member's normal retirement age is lengthy. Also Scheme Employers need to record this cost in their financial accounts for the year in which they make the retirement decision. This also increases a Scheme Employer's awareness of the 'real' costs of their decision and protects the Fund should the Scheme Employer become defunct. If over age 60, there is a lesser period to the member's normal retirement age and the cost for these members is included in the Scheme Employer's contribution rate at the following valuation. Any decision by a Scheme Employer to waive reductions results in a cost to the Fund and as such, should be paid for up front as benefits paid under R30(8) are instigated at the member's request
* Whether to switch on the 85	TP Sch 2, paras	BCCPF will not switch on the 85 year	Switching on the 85 year rule may

year rule for a member voluntarily drawing benefits on or after age 55 and before age 60	1(2) & 2(2) 2014	rule where it is acting as the Employer, where an Employer has become defunct	result in a strain on Fund costs. As the member's Employer is defunct, the cost would have to be met by the BCCPF
* Whether to waive any actuarial reduction on pre and/or post April 2014 benefits	TP3(1), TPSch 2, paras 2(1) & 2(2) 2014 B30(5) & B30A(5) 2007	BCCPF will not waive actuarial reduction on pre and/or post April 2014 benefits where it is acting as the Employer where an Employer has become defunct	Waiving of reductions will result in a strain on Fund costs. As the member's Employer is defunct, the cost would have to be met by the BCCPF
Whether to require any strain on Fund costs to be paid "up front" by a Scheme Employer following flexible retirement under R30(6) or waiver of actuarial reduction under TPSch 2, para 2(1) or release of benefits before age 60 under B30 or B30A	TPSch 2, para 2(3) 2014	BCCPF will require payment of any strain on Fund costs "up front" under R30(6), B30 or B30A where the member is aged under 60	As background for R68(2) 2013 above
Whether to extend the time limits within which a member must give notice of their wish to draw benefits before normal retirement age or upon flexible retirement	R32(7) 2013	BCCPF will not extend the time limits	R32(5) & (6) requires a member to give a period of not less than 3 months' notice if they wish to draw their benefits early. This period provides the administration team with enough time to assess benefits, notify the member, receive the relevant forms to enable payment to be made and ensure the payments go onto the relevant payment run. Any reduction in this may result in benefits not being paid at the appropriate time
Decide whether to commute a small pension	R32(7) 2013 B39 2007	BCCPF will commute a member's small pension where the appropriate	Commuting small pensions results in a one off payment without the need to

	T14(3) 2008 49 & 156 1997	requirements are met	maintain payment of a small pension until the member's death
Approve medical advisors used by Scheme Employers (for all ill health benefits)	R36(3) 2013 A56(2) 2008 97(10) 1997	BCCPF will only accept ill health certification from an approved occupational health advisor	All Independent Registered Medical Practitioners (IRMPs) are required to have specific qualifications in Occupational Medicine under the LGPS Regulations
Whether to use a certificate produced by an IRMP under the 2008 Scheme for the purposes of making an ill health determination under the 2014 Scheme	TP12(6) 2014	BCCPF will only accept a certificate produced under the 2008 Scheme for a determination under the 2014 Scheme for ill health retirements where the termination date is prior to 30 June 2014.	Three months from 1 April 2014 should be sufficient time for Scheme Employers to make a termination of employment decision for any existing 2008 certificates they have obtained
Decide whether deferred beneficiary meets criteria of being permanently incapable of former job because of ill health and is unlikely to be capable of undertaking gainful employment before normal pension age or for at least three years, whichever is the sooner	R38(3) 2013	BCCPF will refer a deferred beneficiary to its IRMP as it is acting as the Employer where an Employer has become defunct	
Decide whether a suspended ill health tier 3 member is unlikely to be capable of undertaking gainful employment before normal pension age because of ill health	R38(6) 2013	BCCPF will refer a suspended ill health tier 3 member to its IRMP as it is acting as the Employer where an Employer has become defunct	
Decide to whom a death grant is paid	TP17(5) to (8) 2014	Payment of any death grant will be made to the member's nominated	

	R40(2), R43(2) & R46(2) 2013 TSch1 2008 B23(2), B32(2) & B35(2) 2007 L155(4) & 38(1) 1997 E8 1995	beneficiary. Where a nomination has not been made, payment will be made to their next of kin or other relevant person on completion of an indemnity form. If there is doubt over to whom payment should be made, payment will be made upon production of Grant of Probate or Letters of Administration	
Decide, in the absence of an election from the member, which benefit is to be paid where the member would be entitled to a benefit under 2 or more regulations in respect of the same period of Scheme membership	R49(1)(c) 2013 B42(1)(c) 2007	BCCPF will make payment of the most beneficial benefit to the member	
Whether to set up a separate admission agreement fund	R54(4)(b) 2013	BCCPF will not set up a separate admission agreement fund unless it is deemed relevant by the Fund actuary	Each Scheme Employer is valued every three years and admission bodies are assessed by the Fund actuary. Unless directed by the actuary, there will be no need to set up a separate admission agreement fund
* Governance policy must state whether the admin authority delegates their function or part of their function in relation to maintaining a pension fund to a committee, sub-committee or an officer of the administering authority.	R55 2013	BCCPFs Governance policy covering all requirements under R55 can be found at: http://www.buckscc.gov.uk/media/133166/governance_policy_statement.pdf	

* Decide on Funding Strategy for inclusion in funding strategy statement	R58 2013	BCCPFs funding strategy statement can be found at: http://www.buckscc.gov.uk/media/133142/funding_strategy_statement.pdf	
Whether to have a written pensions administration strategy and, if so, the matters it should include	R59(1) & (2) 2013	BCCPFs pensions administration strategy can be found at: http://www.buckscc.gov.uk/media/1826012/pension_administration_strategy_charging_schedule.pdf	
* Communication policy must set out the policy on provision of information and publicity to, and communicating with, members, representatives of members, prospective members and Scheme employers	R61 2013	BCCPFs communication policy can be found at: http://www.buckscc.gov.uk/media/133032/communication_policy_statement.pdf	
Whether to obtain revision of an employer's contribution rate if there are circumstances which make it likely a Scheme Employer will become an exiting employer	R64(4) 2013	BCCPF will liaise with the Fund actuary and if advised, will obtain a revised employer rate certificate	To protect the Fund it is advisable to assess the assets and liabilities of any Scheme Employer who looks likely to exit (few active members) and if there is a deficit, revise the employer contribution rate to reduce any relevant deficit as part of a cessation valuation
Decide whether to obtain a new rates and adjustments certificate if the Secretary of State amends the Benefits Regulations as part of the "cost sharing" under R63	R65 2013	BCCPF will liaise with the Fund actuary and if advised, will obtain a new rates and adjustments certificate	To protect the Fund's funding level it is advisable to assess the impact of any changes to the Benefit Regulations
Decide frequency of	R69(1) 2013	An administration charge is incorporated	

payments to be made over to the Fund by Scheme Employers and whether to make an administration charge	81(1) 1997	within an employer's contribution rate. Details of frequency of payments can be found in the BCCPF Service Level Agreement (SLA) at: http://www.bucksc.gov.uk/media/2403425/SLA-BCC-Pension-Fund-Employers.pdf	
Decide form and frequency of information to accompany payments to the Fund	R69(4) 2013 81(5) 1997	Details of the form and frequency of payments can be found in the BCCPF Service Level Agreement (SLA) at: http://www.bucksc.gov.uk/media/2403425/SLA-BCC-Pension-Fund-Employers.pdf	
Whether to issue a Scheme Employer with notice to recover additional costs incurred as a result of their level of performance	R70 2013 TP22(2) 2014	BCCPFs pensions administration strategy covering additional costs can be found at: http://www.bucksc.gov.uk/media/1826012/pension_administration_strategy_charging_schedule.pdf	
Whether to charge interest on payments by Scheme Employers which are overdue	R71(1) 2013 82(1) 1997	Details regarding interest payments are detailed in the charging schedule in the pensions administration strategy at: http://www.bucksc.gov.uk/media/1826012/pension_administration_strategy_charging_schedule.pdf	
Decide the procedure to be followed by the administering authority when exercising its stage two IDRPs and decide the manner in which those functions are to be exercised	R76(4) 2013 A60(8) 2008 99 1997	Where the IDRPs are against a Scheme Employer, the Principal Pensions Officer (Administration) will undertake the stage two procedure. Where the IDRPs are against the administering authority, BCCs Group Solicitor & Deputy Monitoring Officer will undertake the	

		stage two procedure	
Whether the administering authority should appeal against a Scheme Employer decision (or lack of one)	R79(2) 2013 A63(2) 2008 105(1) 1997	BCCPF will appeal against a Scheme Employer decision (or lack of one) where it is clear the Scheme Employer has not undertaken the correct procedure, if it has not complied with the regulations or if its actions have resulted in the administering authority not being able to comply with the regulations	BCCPF must be in a position to comply with the regulations and must also have the best interests of members in mind while carrying out its administration duties
Specify information to be supplied by Scheme Employers to enable the administering authority to discharge its functions	R80(1)(b) 2013 TP22(1) 2014 A64(1)(b) 2008	Details of the information required from Scheme Employers to the BCCPF can be found in the BCCPF Service Level Agreement (SLA) at: http://www.buckscs.gov.uk/media/2403425/SLA-BCC-Pension-Fund-Employers.pdf	
Whether to pay any death grant due to personal representatives or anyone appearing to be beneficially entitled to the estate without need for grant of probate/letters of administration where payment is less than the amount specified in s6 of the Administration of Estates (Small Payments) Act 1965	R82(2) 2013 A52(2) 2008 95 1997	BCCPF will make payment of a death grant without the need for probate/letters of administration under s6 of the Administration of Estates (Small Payments) Act 1965, on completion of an indemnity form where the relevant person confirms that if there is a subsequent claim from another party they will return all/part of the payment made	BCCPF needs to be certain it is making payment to the appropriate person
Whether, where a person (other than an eligible child) is incapable of managing their affairs, to pay the whole	R83 2013 A52A 2008	BCCPF will make payment to another person for a member's benefit upon receipt of a letter from the member's GP confirming they are incapable of	BCCPF needs to be certain it is making payment to the appropriate person

or part of that person's pension benefits to another person for their benefit		managing their affairs. If a letter from the member's GP cannot be obtained, the BCCPF will only accept a lasting power of attorney	
Date to which benefits shown on an annual benefit statement are calculated	R89(5) 2013 106A(5) 1997	The current value of benefits will be calculated as at 31 March for the relevant year. Projection of benefits will be calculated at a member's normal pension age	
Agree to bulk transfer payment	R98(1)(b) 2013	Where appropriate and having taken advice from the Fund actuary, the BCCPF will agree to a bulk transfer payment	
Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	R100(6) 2013	BCCPF will extend the time limit after discussion with the relevant Scheme Employer (BCCPF could say no but this would mean there would be no point in any employer having this discretion)	The liability to pay benefits in relation to any transfer value received outside of the 12 month deadline falls to the employer and will be included as part of the triennial valuation. Also if a member is subsequently made redundant the strain on fund cost in respect of the additional benefits in relation to the transfer value are also to be met by the Scheme Employer
Allow transfer of pension rights into the Fund	R100(7) 2013	BCCPF will accept transfer values from other pension arrangements	There is the ability within the regulations for an administering authority to not accept. Some authorities do not accept non-public sector transfer payments. However, the Government Actuary Department (GAD) factors provided for the LGPS should be cost neutral
Where a member to whom	TP3(6),	BCCPF will make the election on behalf	

B10 applies (use of the average of 3 years pay for final pay purposes) dies before making an election, whether to make that election on behalf of the deceased member	TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) 2014 B10(2) 2007	of the deceased member where the benefits resulting from the election would be the most beneficial	
Make an election on behalf of a deceased member with a certificate of protection of pension benefits	TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) 2014 TSch 1 2008 L23(9) 1997	BCCPF will make the election of behalf of the deceased member where the benefits resulting from the election would be the most beneficial	
Decide to treat a child as being in continuous education or vocational training despite a break	RsCh1 2013 TP17(9) 2014	BCCPF will treat a child as being in continuous education or vocational training providing any break period is not in excess of one year	By permitting a break of up to one year, children who decide to have a break year during their education or vocational training will have their pension reinstated on return after the break
Whether to pay the whole or part of a child's pension to another person for the benefit of that child	B27(5) 2007 47(2) 1997 G11(2) 1995	BCCPF will pay a pension in respect of a child under the age of 18 or any age if the child is incapacitated to either a parent, legal guardian or a person with lasting power of attorney	
Decide evidence required to determine financial dependence of cohabiting partner on the scheme member, or financial interdependence of cohabiting partner and the	RSch 1 2013 TP17(9) (b) 2014 B25 2008	BCCPF will require copies of any joint mortgage or property rental arrangements; copies of any joint bank/saving accounts; copies of any utility bills in joint names	

scheme member			
* Decide policy on abatement of pre 1 April 2014 element of pensions in payment following re-employment	TP3(13) 2014 A70(1), A71(4)(c) & T12 2008 109 & 110(4)(b) 1997	The basic pension (excluding any compensatory added years element) of a pensioner who is re-employed in local government and again eligible for LGPS membership will not be reduced or suspended	This will place re-employed pensioners in the same position as those members who are granted flexible retirement
Extend time period for capitalisation of added years contract	TP15(1)(c) 2014 TSch 1 2008 L83(5) 1997	BCCPF will extend the time limit to three months from the date retirement benefits were notified to the member should this be greater than three months from the date of retirement	
Outstanding employee contributions can be recovered as a simple debt or by deduction from benefits	A45(3) 2008 89(3) 1997	BCCPF will permit either method of recovery	
* Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60	B30(2) 2007	BCCPF will only grant an application where there is no strain on Fund cost	This discretion only falls to BCCPF where the deferred member's Scheme Employer has become defunct and it is not reasonable for the BCCPF to incur any cost
* Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30	B30(5) 2007	BCCPF will not waive actuarial reductions on compassionate grounds for deferred benefits paid early	This discretion only falls to BCCPF where the deferred member's Scheme Employer has become defunct and it is not reasonable for the BCCPF to incur any cost
* Whether to grant an application for early payment of a suspended tier 3 ill health pension on or after age 55 and before age 60	B30A(3) 2007	BCCPF will not grant an application for early payment of a suspended tier 3 ill health pension	This discretion only falls to BCCPF where the suspended tier 3 member's Scheme Employer has become defunct and it is not reasonable for the BCCPF to incur the cost of reinstatement

* Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A	B30A(5) 2007	BCCPF will not waive actuarial reductions on compassionate grounds for benefits paid early under B30A	This discretion only falls to BCCPF where the suspended tier 3 member's Scheme Employer has become defunct and it is not reasonable for the BCCPF to incur the cost of reinstatement
Decide whether a deferred beneficiary meets permanent ill health and a reduced likelihood of gainful employment criteria	B31(4) 2007	BCCPF will refer a deferred beneficiary to its IRMP as it is acting as the Employer where an Employer has become defunct	
Decide whether a suspended ill health tier 3 member is permanently incapable of undertaking any gainful employment	B31(7) 2007	BCCPF will refer a deferred beneficiary to its IRMP as it is acting as the Employer where an Employer has become defunct	
Frequency of payment of councillors' contributions	12(5) 1997	Contributions to be paid monthly	
Extend normal 12 month period following end of relevant reserve forces leave for "Cancelling notice" to be submitted by a councillor member requesting that the service should not be treated as relevant reserve forces leave	17(4), (7), (8) & 89(4) & Sch 1 1997	BCCPF will not extend the normal 12 month period	
Select appropriate final pay period for deceased non-councillor member (leavers post 31.03.1998/pre 01.04.2008)	22(7) 1997	BCCPF will select the appropriate final pay period	

Make an election on behalf of a deceased non-councillor member with a certificate of protection	23(9) 1997	BCCPF will make the election on behalf of the deceased member where the benefits resulting from the election would be the most beneficial	
Apportionment of children's pension amongst eligible children (children of councillor members & children of post 31.03.1998/pre 01.04.2008 leavers; and children of pre 01.04.1998 retirees & deferred beneficiaries	47(1) 1997 G11(1) 1995	BCCPF will apportion the whole children's pension entitlement equally between any eligible children and adjust the amounts when any eligibility ceases	
Commute benefits due to exceptional ill health (councillor members, pre 01.04.2008 leavers and pre 01.04.2008 pension credit members	50 & 157 1997	BCCPF will offer ill health commutation to the member as an alternative to standard ill health benefits	
Whether acceptance of an AVC election is subject to a minimum payment (councillors only)	60(5) 1997	BCCPF have not set a minimum payment requirement	
Whether to require any strain on Fund costs are to be paid "up front" by the employing authority following early voluntary retirement of a councillor (after age 50/55 and before age 60), or early payment of a deferred benefit on ill health grounds or from	80 (5) 1997	BCCPF will require payment of any strain on Fund costs "up front"	

age 50 with employer consent (pre 01/04/2008 leavers)			
Timing of pension increase payments by employers to the Fund (pre 01.04.2008 leavers)	91(6) 1997	BCCPF will recharge these amounts on an annual basis after the end of the financial year	
Retention of CEP where a member transfers out (councillors and pre 01.04.2008 leavers)	118 1997	BCCPF will not preserve the CEP liability but will discharge liability by paying the premium	
Whether to pay spouse's pensions for life for pre 01.04.1998 retirees/pre 01.04.1998 deferred beneficiaries who die on or after 01.04.1998 (rather than ceasing during any period of remarriage or cohabitation)	F7 1995	BCCPF will not cease payment during any period of remarriage or cohabitation	From 01.04.1998 the requirement to cease a spouse's pension if they remarried or cohabited ended. For the few cases where it may apply to pre 01.04.1998 members and the difficulty in monitoring cohabitation, it is easier administratively to apply the recommendation in all cases

Pension Fund Consultative Group

Title:	CIPFA Pensions Administration Benchmarking Club
Date:	8 October 2014
Author:	Sam Price
Contact officer:	Sam Price, 01296 383370
Electoral divisions affected:	None

Summary

Buckinghamshire County Council (as administering authority for the Buckinghamshire County Council Pension Fund) participates in the CIPFA Pensions Benchmarking Club. Data is submitted annually and the administration of the Fund is measured against other participating authorities.

Recommendation

Members are asked to consider and comment on the report attached at Appendix A.

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

The county council has participated in the CIPFA Benchmarking Club for 12 years. Data is supplied on cost, workload and staff related measures and Industry Standard Performance Indicators.

Resource implications

The report is an indication of how the county council compares to other administering authorities in relation to administration cost per scheme member. The report also provides a breakdown of the cost per member for various categories, such as staff and payroll costs.

Legal implications

There is no legal requirement to participate; however, membership of the club ensures that various areas of pension administration are analysed annually on a statistical basis.



INVESTOR IN PEOPLE



It also provides evidence that we are comparing favourably with other administering authorities. The data is confidential and should only be shared with authorities who participate. Other authorities are not identified and our data is shown in black.

Other implications/issues

None.

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

Not applicable.

Background Papers

Appendix A: 2013/14 Pensions Administration Benchmarking Club 2014 – Final Report.

Pensions Administration Benchmarking Club 2014

Buckinghamshire County Council

compared with

49 authorities

FINAL REPORT

Computed and printed by:
CIPFA Business Limited
3 Robert Street, London, WC2N 6RL
Tel: 0203 117 1840

PREFACE

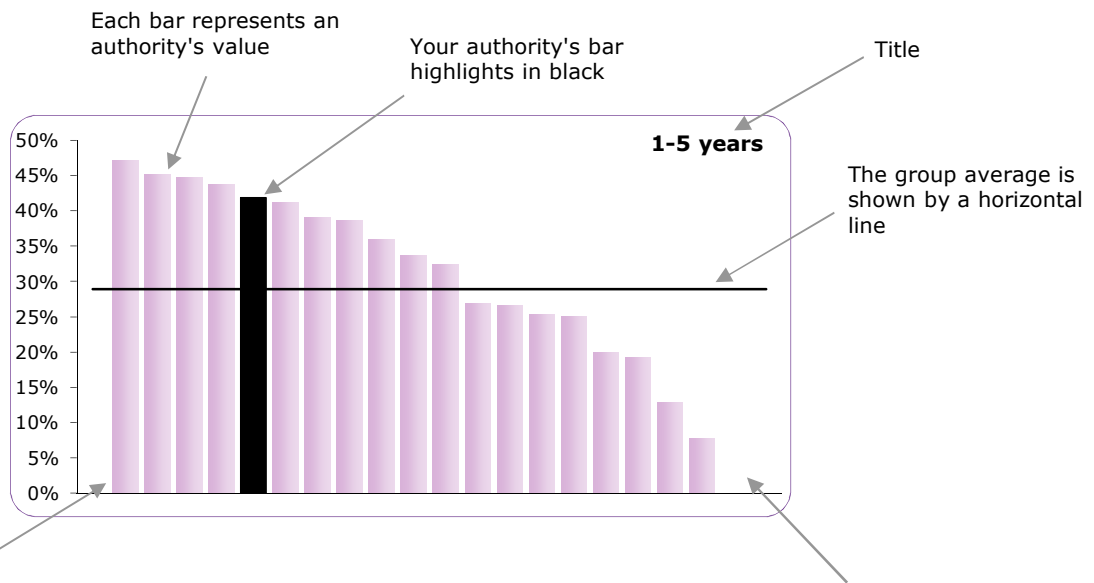
This report compares your data with the group of authorities specified on the title page.

Throughout the report your figures are shown in tables and in graphical form. If you are not familiar with our reports we hope this page will help you to better understand the way we present this data.

Averages: Almost all of our tables and charts compare your figure with a group average. The average is the unweighted mean value for the group. This average value ignores missing data, or data that we have excluded and for this reason sets of averages sometimes do not reconcile precisely.

Charts: We display a large amount of data on charts as this allows us to show the data for the entire group efficiently and gives far more information than a simple average (i.e. range of data, individual authority values etc.). Below we have annotated an example chart to help explain what they are showing.

Bar Charts: These are our standard method of displaying a full set of data



'Missing bars' on the left represent missing data or excluded data and are not included in calculating the average

Staff experience			
	FTE	%	Avg
< 1 year	1.5	10%	9%
1-5 years	6.5	42%	29%
5-10 years	3.5	23%	21%
> 10 yrs	4.0	26%	41%
Total	15.5		

'Missing bars' on the right represent zero values and are included in the average

INTRODUCTION

This report compares your performance with the group of authorities specified on the title page. It is divided into the following sections.

	Page
1 Summary 2014	4
2 Cost Measures	5
3 Workload Measures	10
4 Staff Related Measures	18
5 Industry Standard Performance Indicators	22
6 Comparison by method of service delivery } <i>final reports</i>	23
7 Timeseries } <i>final reports only</i>	24

Section 1 - Summary 2014

This page provides a brief summary of the most salient aspects of the report.

Section 2 - Cost Measures

This section concentrates on cost/member ratios starting with total cost/member which is then broken down by staff costs, payroll costs, direct costs, overheads and income. Further analysis of direct costs and overheads is also provided in this section.

Section 3 - Workload Measures

The first measure of workload is the number of members in the scheme, which is shown along with a breakdown by class of membership. This is followed by an analysis of the number and type of LGPS employers.

Other workload measures include:

- Joiners and leavers with a full analysis of the various types of retirements
- Number of quotations provided and actual events processed
- AVCs, ARCs and Added years
- Appeals

Section 4 - Staff Related Measures

The measures included here are an analysis of staff numbers by pay band, sickness absence, pensions work experience, staff qualifications and staff turnover.

Section 5 - Industry Standard Performance Indicators

In this section we show how authorities perform against each of the LGPC performance indicators.

Section 6 - Comparison by Method of Service Delivery (final report only)

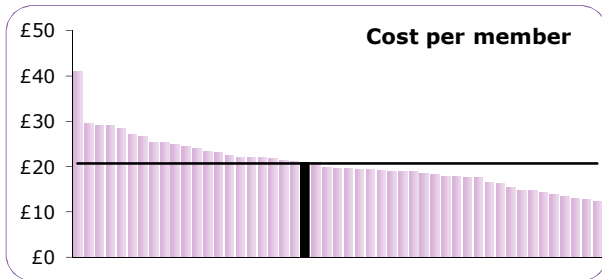
This shows members' costs and averages compared for in-house and externally managed pension schemes.

Section 7 -Timeseries (final report only)

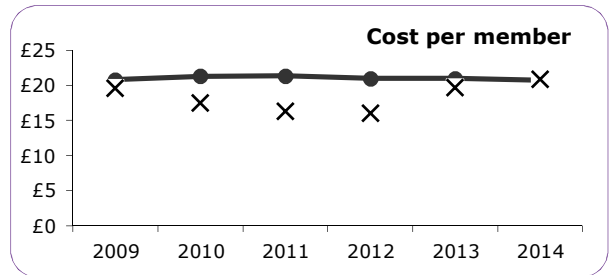
This shows the individual members' performance over time compared to the club average for cost per member, which is analysed over staff cost and other costs.

SECTION 1 - SUMMARY 2013/14

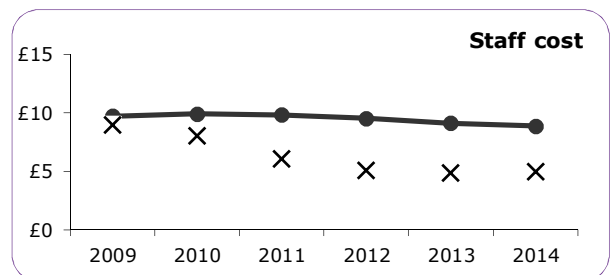
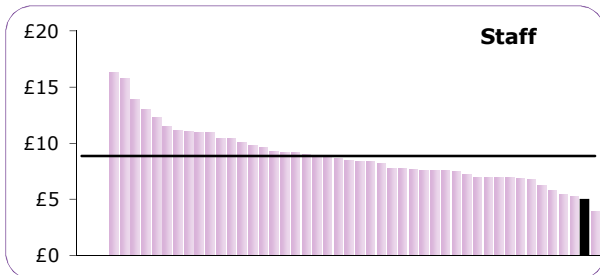
NET COST / MEMBER 2013/14



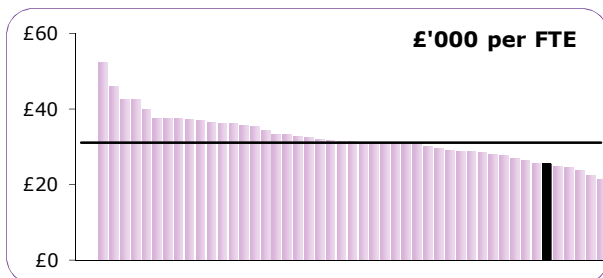
● Club average
X Buckinghamshire



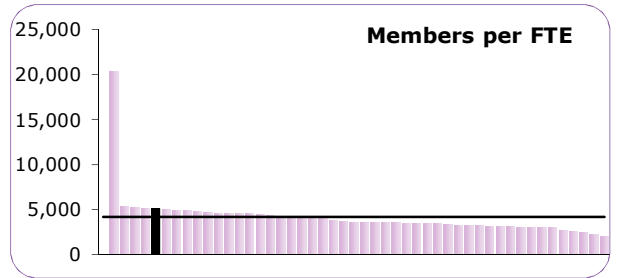
STAFF COST / MEMBER 2013/14



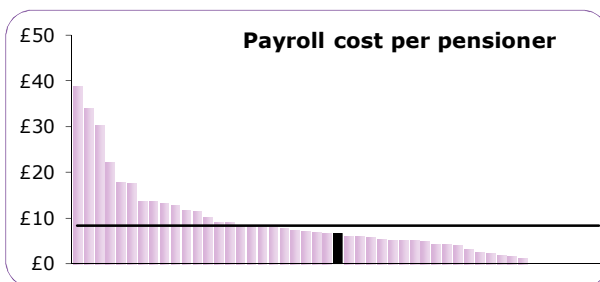
COST £'000 / FTE



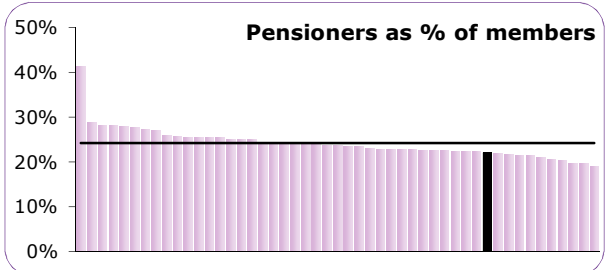
MEMBERS LGPS / ADMIN FTE



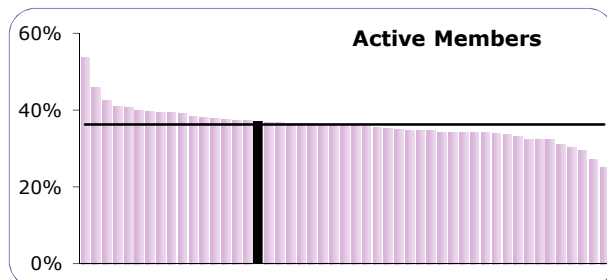
PAYROLL COST / PENSIONER



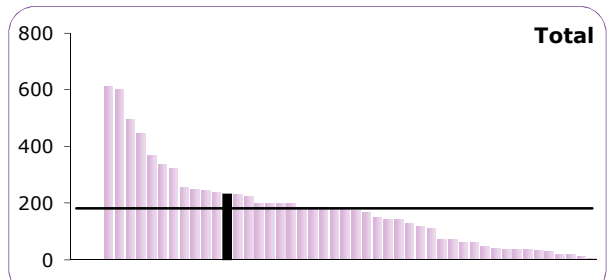
PENSIONERS AS A % MEMBERS



ACTIVES AS A % MEMBERS



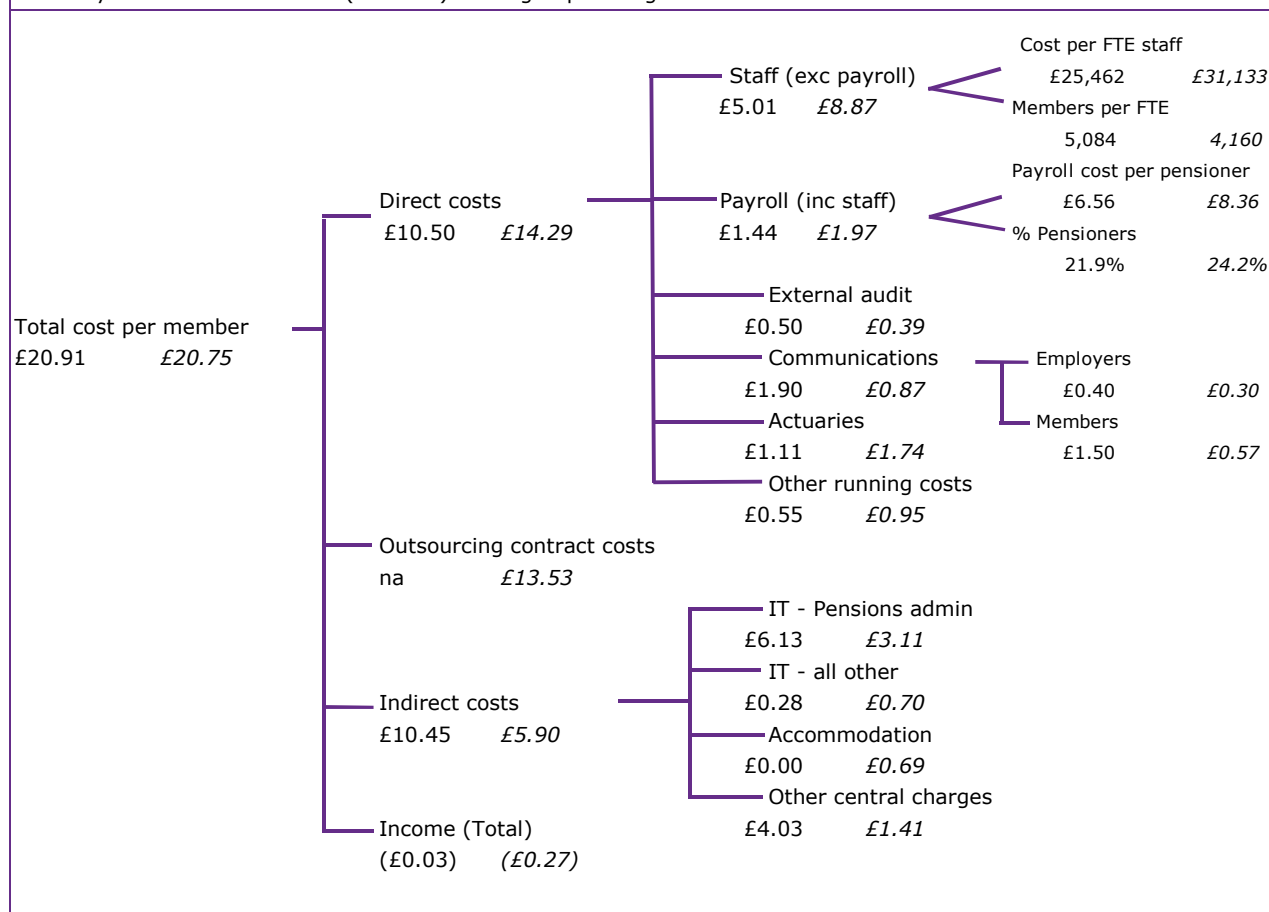
NUMBER OF LGPS EMPLOYERS



SECTION 2 - COST MEASURES

COST/MEMBER TREE 2013/14

This tree diagram analyses the cost per member. For each benchmark two figures are given the first being the authority's cost and the second (in italics) is the group average.



FTE staff	
Pension Section total	28.8
less	
IT staff	3.0
Payroll staff	1.4
Communications staff	6.0
Employing authority work	1.0
Work for other schemes	1.5
Other work	4.0
Admin of LGPS	11.9

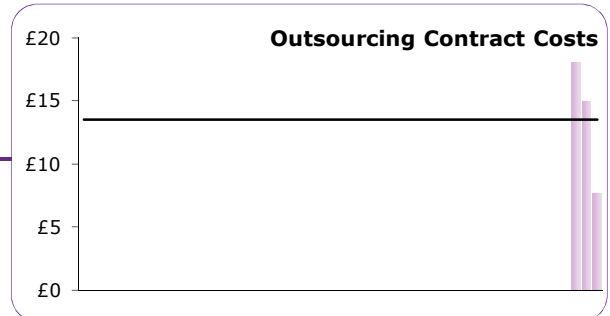
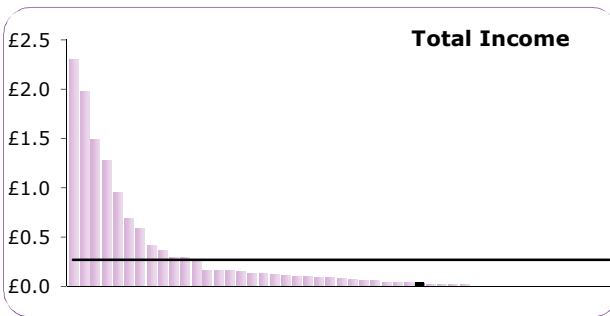
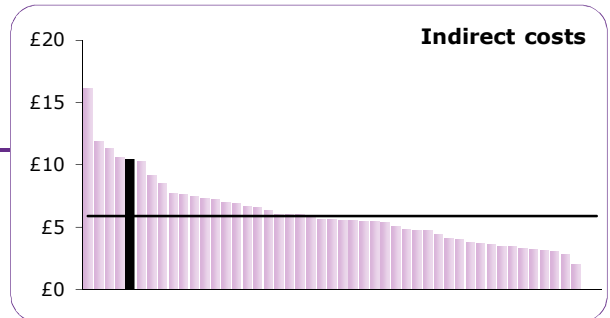
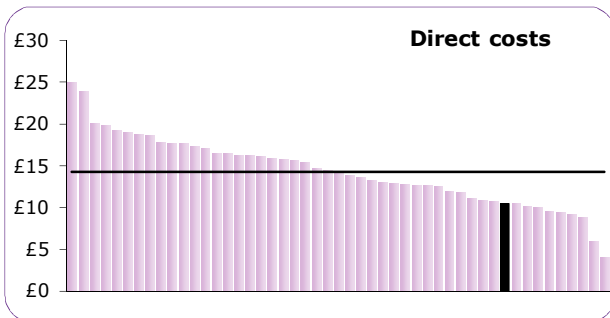
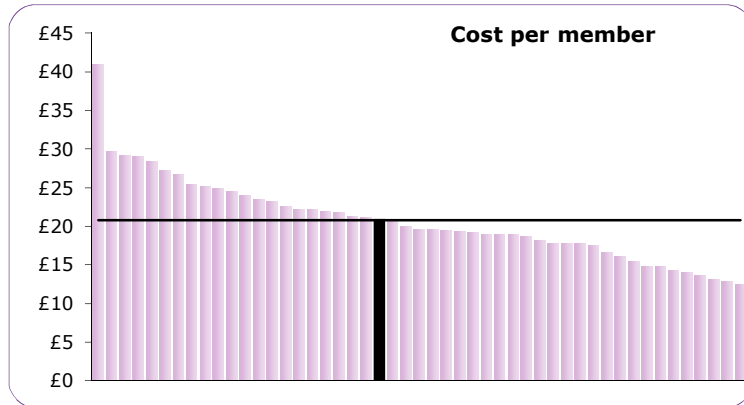
Net Costs £'000	
	£'000
Pension Section total	1,632
less	
Work for other schemes	44
Employing authority work	109
Other work	214
Admin of LGPS	1,265

Admin of LGPS costs	£'000	£ per member	Avg
	Staff - administration	303	5.01
Staff - payroll	52	0.86	0.47
Payroll	35	0.58	1.50
Communications (Total)	115	1.90	0.87
Actuaries	67	1.11	1.74
External audit	30	0.50	0.39
Other running costs	33	0.55	0.95
Total Direct Costs	635	10.50	14.29
Outsourcing costs	-	na	13.53
IT - Pensions admin	371	6.13	3.11
IT - All other	17	0.28	0.70
Accommodation	-	-	0.69
Other central charges	244	4.03	1.41
Total Indirect Costs	632	10.45	5.90
Gross Cost	1,267	20.94	21.02
Income - Members	(1)	(0.02)	(0.06)
Income - Employers	(1)	(0.02)	(0.18)
Income - Other	-	-	(0.03)
Total Income	(2)	(0.03)	(0.27)
Net Cost	1,265	20.91	20.75

Total Scheme Membership 60,496

*Outsourcing Contract Costs average only includes those members who have outsourcing costs.

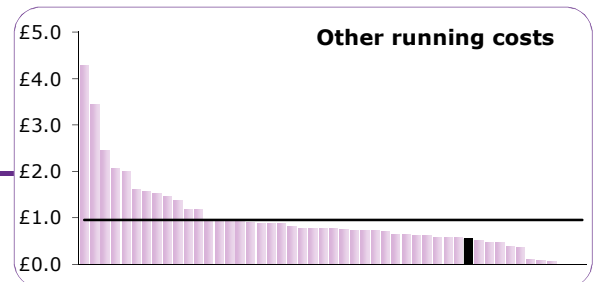
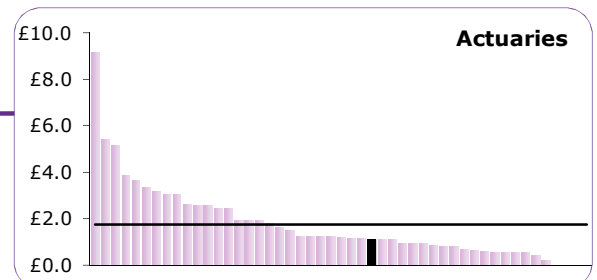
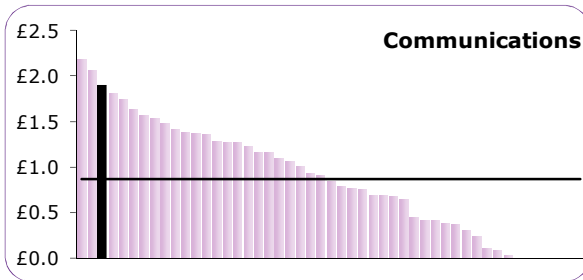
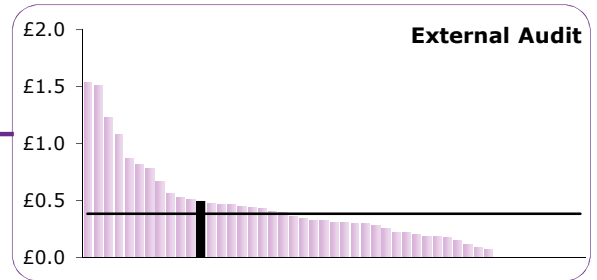
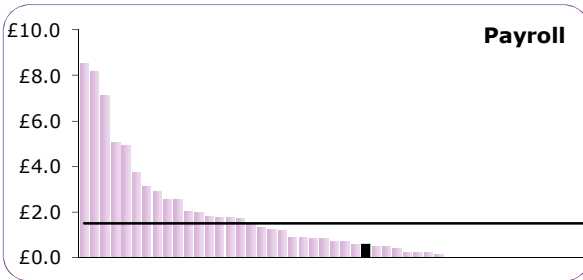
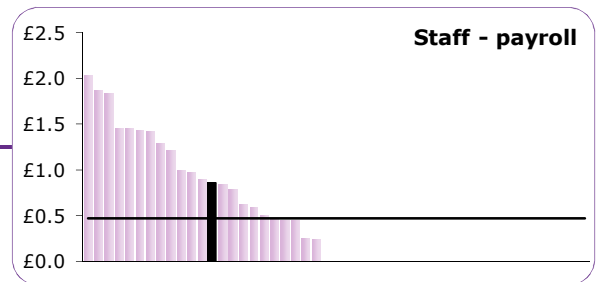
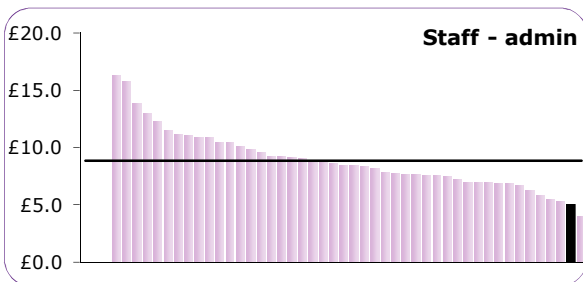
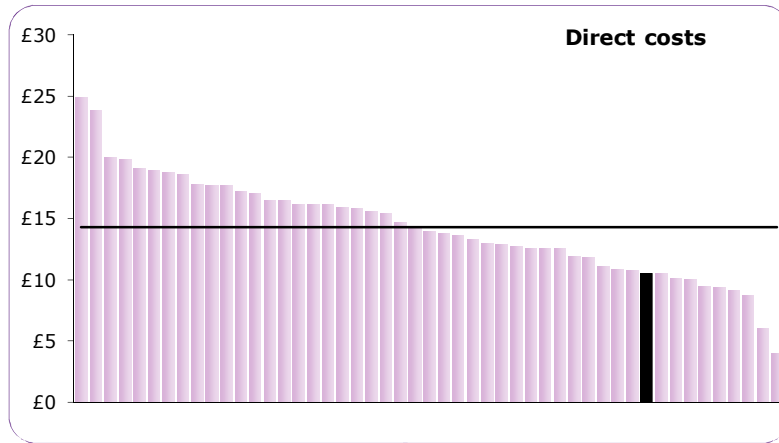
COST PER MEMBER 2013-14



Admin of LGPS costs		£ per member	
	£'000		Avg
Total Direct Costs	635	10.50	14.29
Outsourcing costs	-	na	13.53
Total Indirect Costs	632	10.45	5.90
Total Income	(2)	(0.03)	(0.27)
Net Cost	1,265	20.91	20.75

Total Scheme Membership 60,496

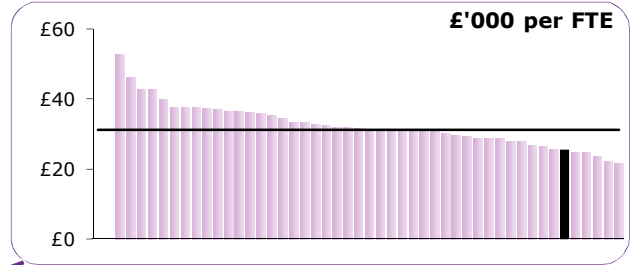
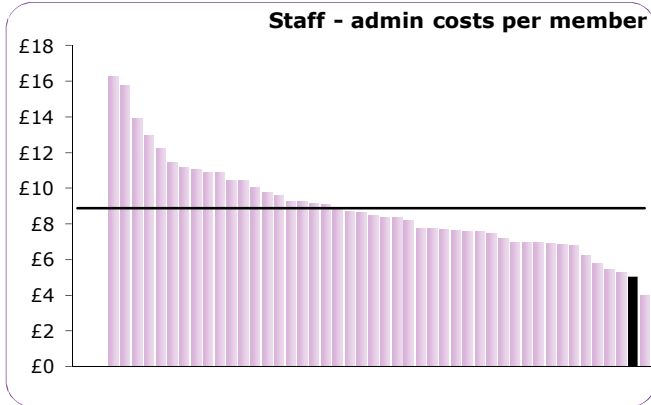
COSTS PER MEMBER - Direct costs 2013/14



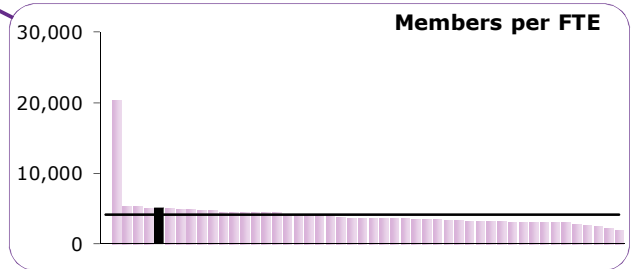
Direct costs	£'000	£ per member	Avg
Staff - admin	303	5.01	8.87
Staff - payroll	52	0.86	0.47
Payroll	35	0.58	1.50
External audit	30	0.50	0.39
Communications	115	1.90	0.87
Actuaries	67	1.11	1.74
Other running costs	33	0.55	0.95
Total	635	10.50	14.29

DIRECT COSTS PER MEMBER - Staff and Payroll costs 2013/14

	£'000	£ per member	Avg
Staff - admin	303	5.01	8.87

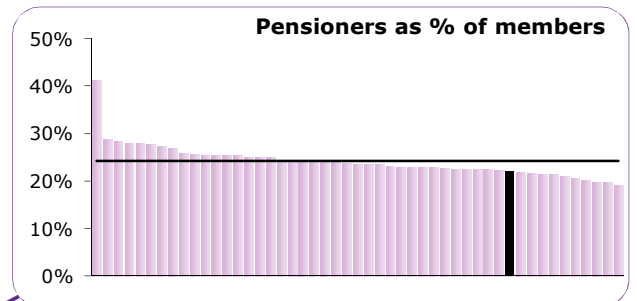
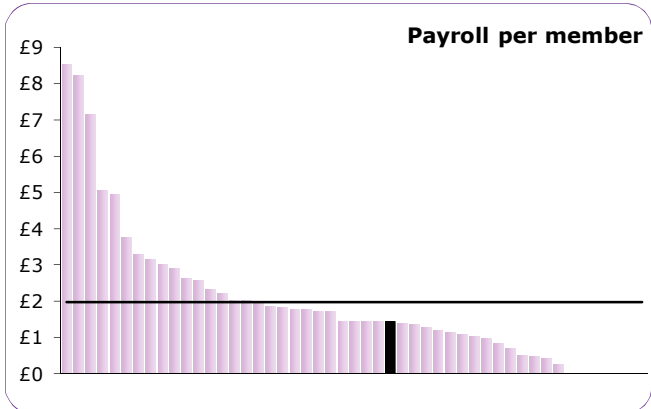


Buckinghamshire 25.5 Avg 31.1

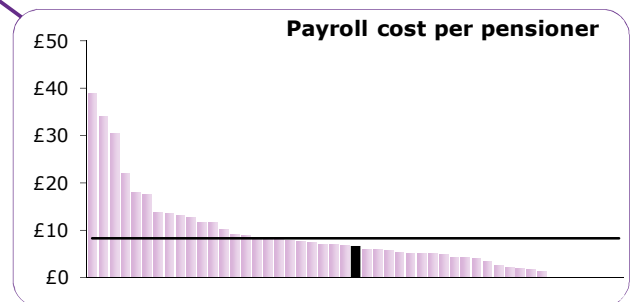


Buckinghamshire 5,084 Avg 4,160

	£'000	£ per member	Avg
Payroll (combined)	87	1.44	1.97

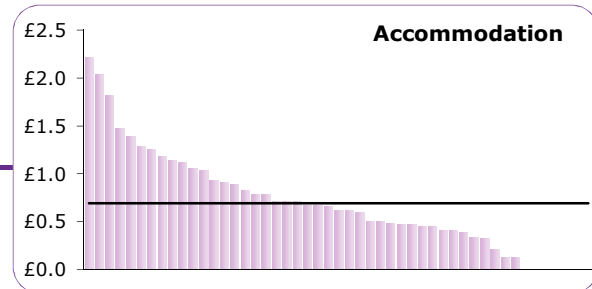
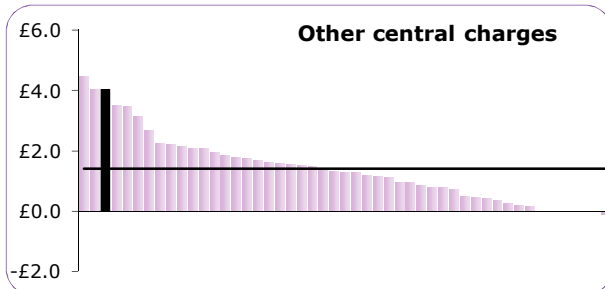
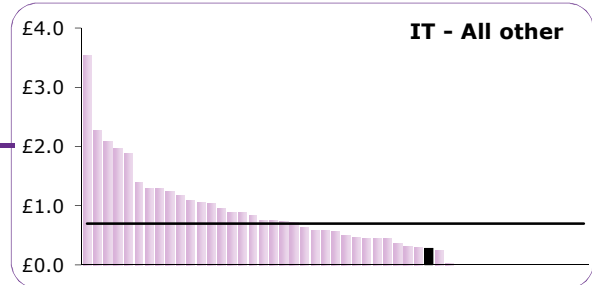
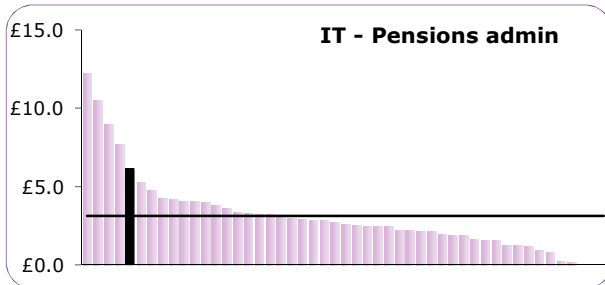
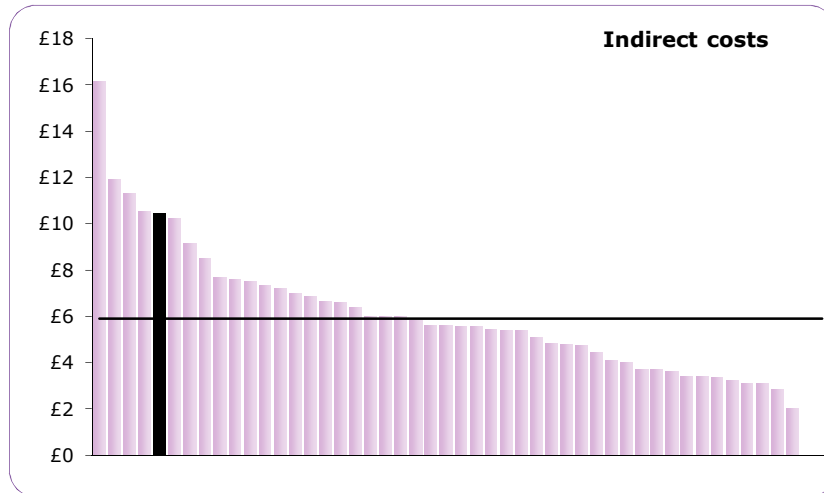


Buckinghamshire 22% Avg 24%



Buckinghamshire 6.6 Avg 8.4

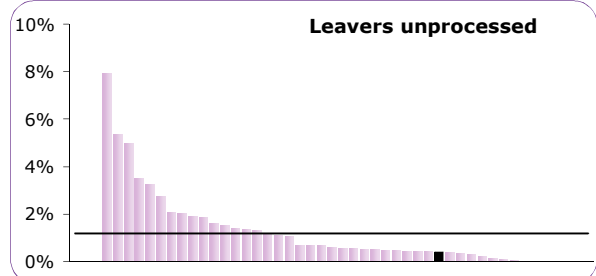
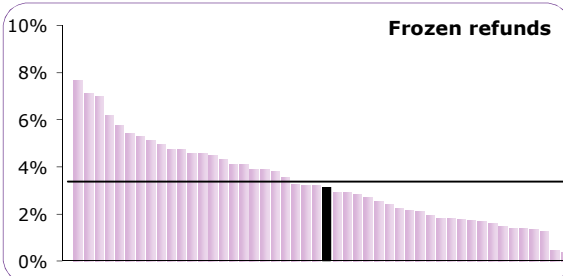
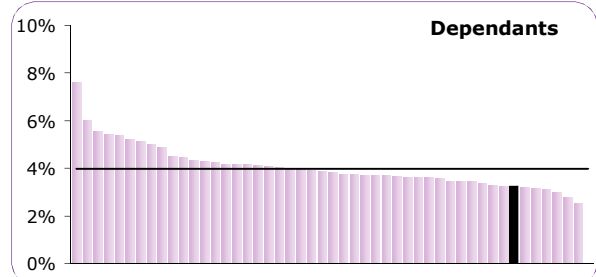
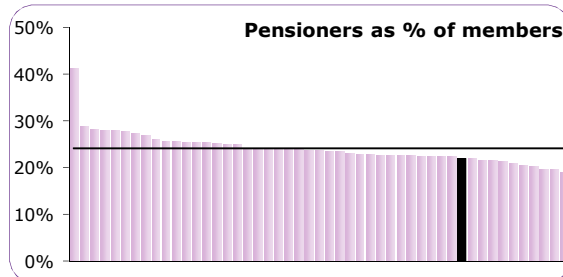
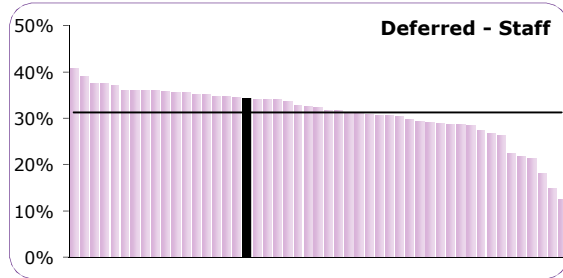
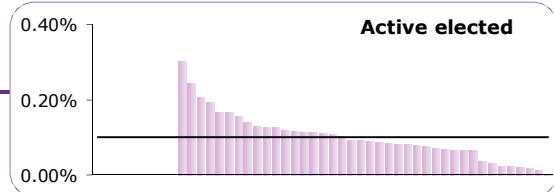
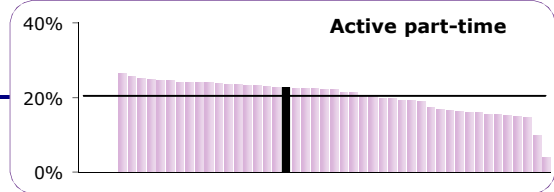
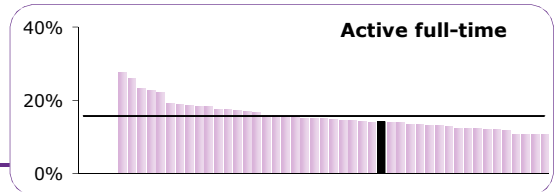
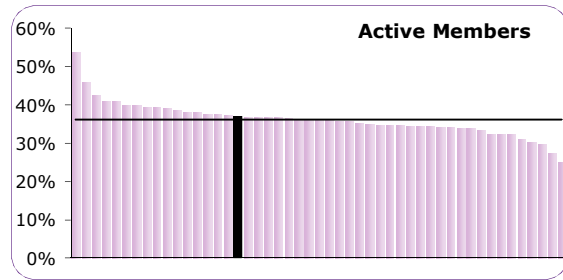
COSTS PER MEMBER - Indirect costs 2013/14



Indirect costs	£'000	£ per member	Avg
IT - Pensions admin	371	6.13	3.11
IT - All other	17	0.28	0.70
Accommodation	-	-	0.69
Other central charges	244	4.03	1.41
Total	632	10.45	5.90

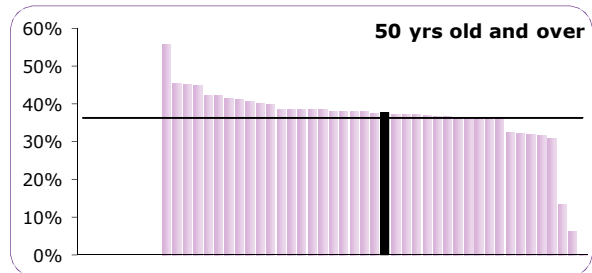
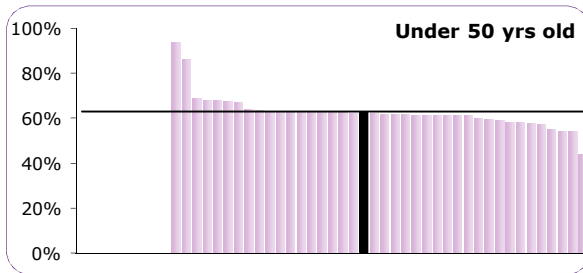
SECTION 3 - WORKLOAD MEASURES

COMPOSITION OF MEMBERS AS AT 31/3/2014



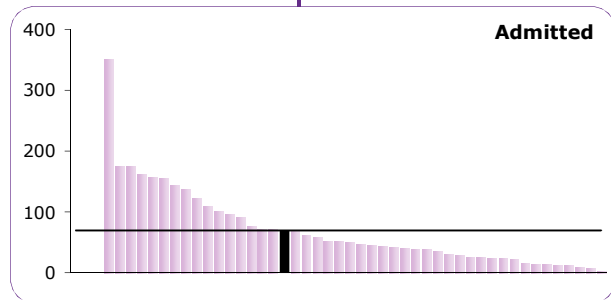
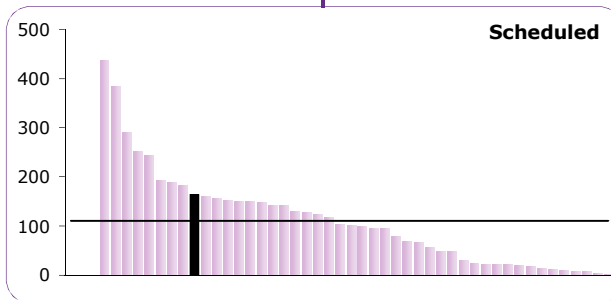
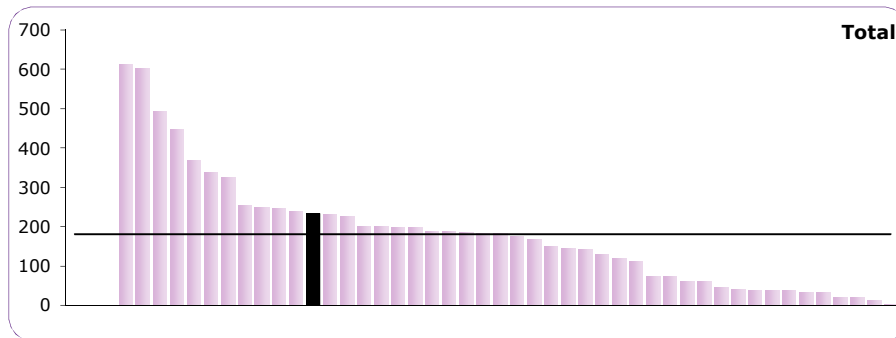
Composition of members				
	No.	%	Avg	Avg %
Active:				
- full-time	8,640	14%	13,959	16%
- part-time	13,714	23%	16,836	20%
- no. of elected Members	-	na	63	0.1%
- sub-total	22,354	37%	29,480	36%
Deferred:				
- Staff	20,780	34%	24,468	31%
- Elected Members	-	na	13	0%
Pensioners	13,269	22%	19,682	24%
Dependants	1,960	3.2%	3,272	4.0%
Frozen refunds	1,890	3.1%	2,614	3.4%
Leavers unprocessed	243	0.4%	831	1.2%
Total	60,496		80,358	

COMPOSITION OF MEMBERS AS AT 31/03/2014



Composition of active members			
	No.	%	Avg
Under 50 yrs old	13,949	62%	63%
50 yrs old and over	8,405	38%	36%

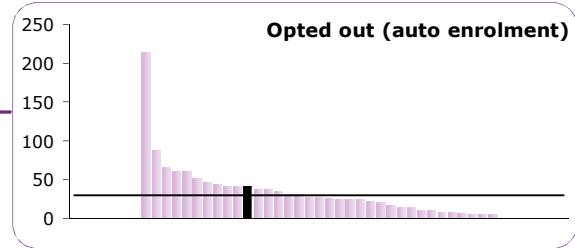
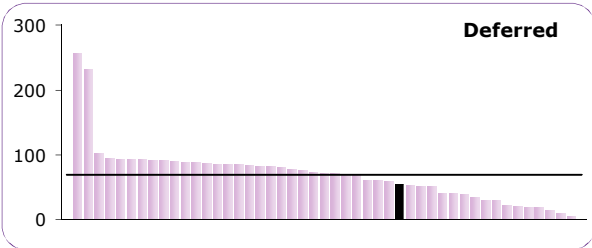
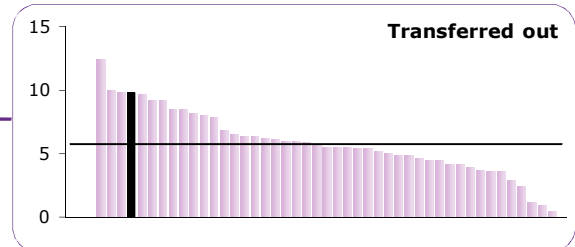
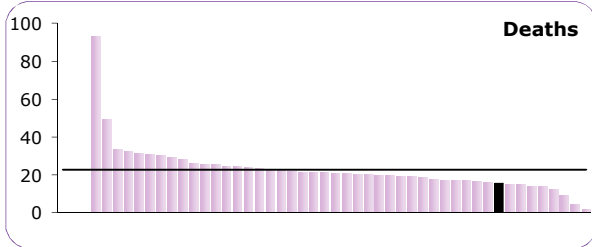
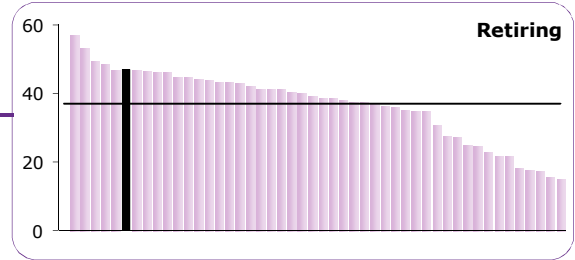
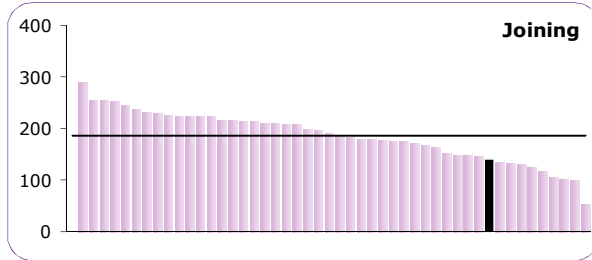
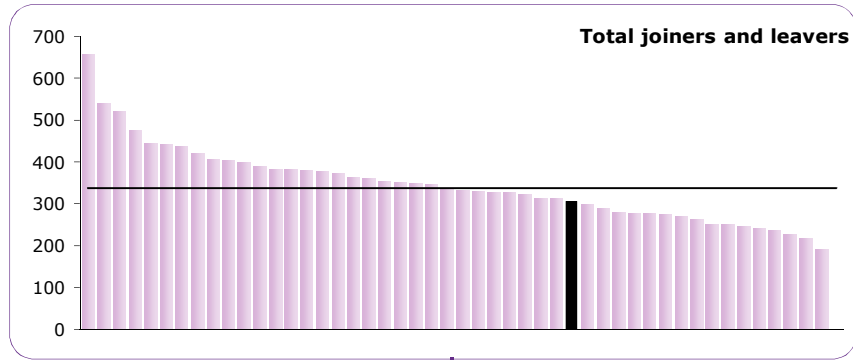
NUMBER OF LGPS EMPLOYERS AS AT 31/03/2014



LGPS employers (31/3/14)						
	No.	Avg	of which:	No.	%	Avg
Scheduled	164	111	Local Authorities	58	35%	11%
Admitted	69	69	Transferee	36	52%	44%
Total	233	180				

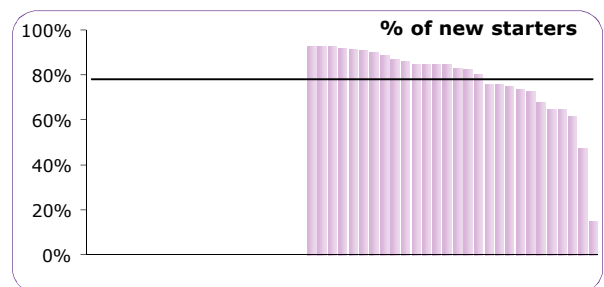
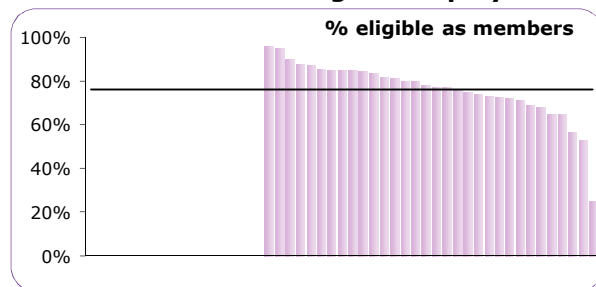
Employer changes 2013/14						
	Applied		Admitted		Leaving	
	No.	Avg	No.	Avg	No.	Avg
Scheduled	7	15	7	17	-	1
Admitted	6	7	6	7	-	3

JOINERS & LEAVERS (per '000 active members)



Joiners & leavers (per '000 active members)			
	No.	'000	Avg
Joining	3,091	138	186
Retiring	1,048	47	37
Deaths	345	15	23
Transferred out	219	10	6
Deferred	1,222	55	69
Opted out	915	41	29
Total	6,840	306	338

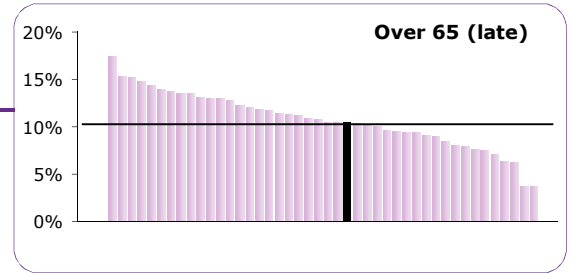
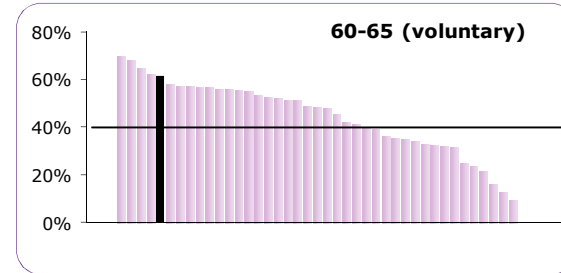
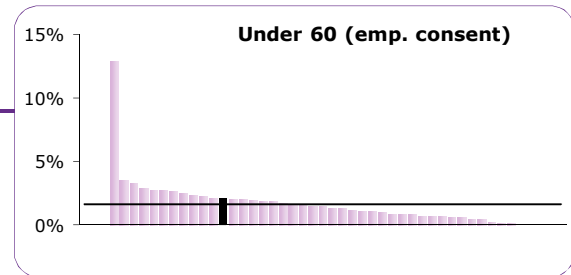
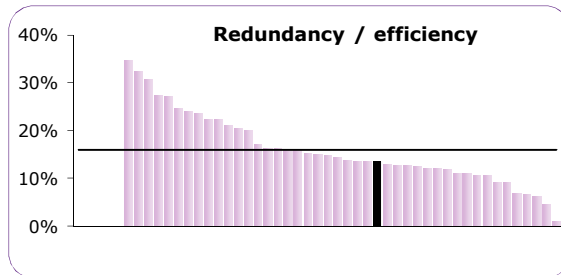
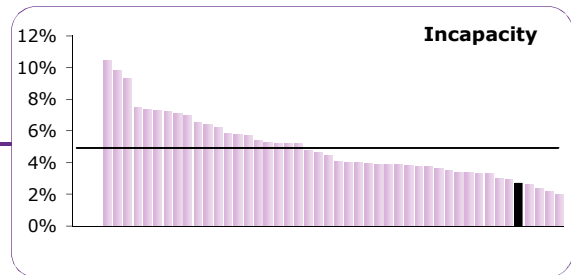
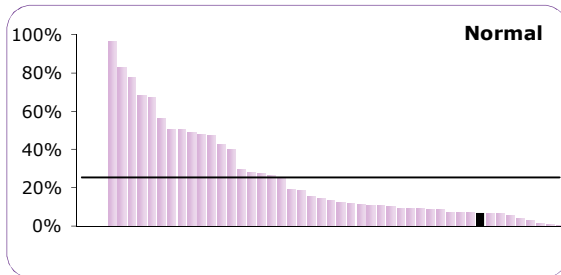
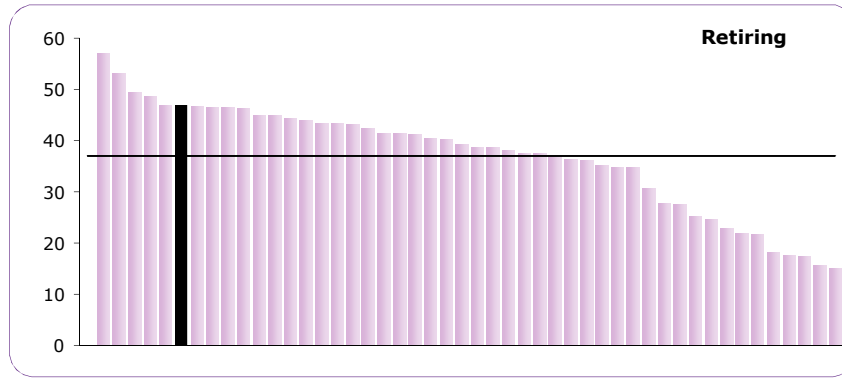
LGPS members as % eligible employees



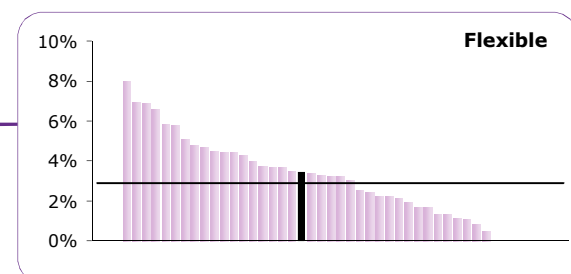
Buckinghamshire na Avg 76%

Buckinghamshire na Avg 78%

RETIRING (per '000 active members)



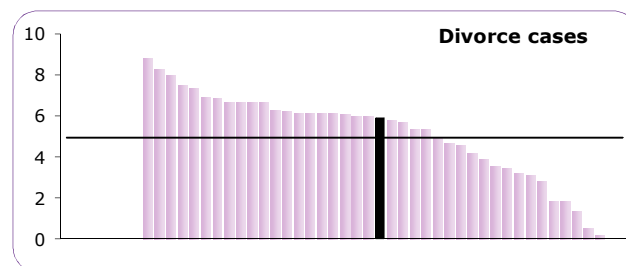
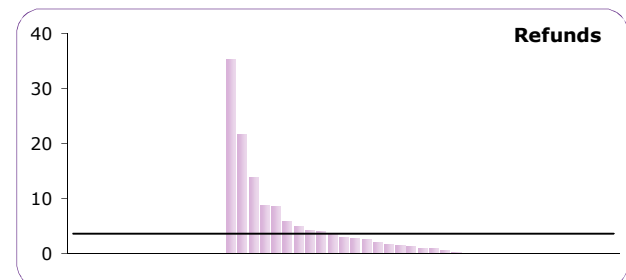
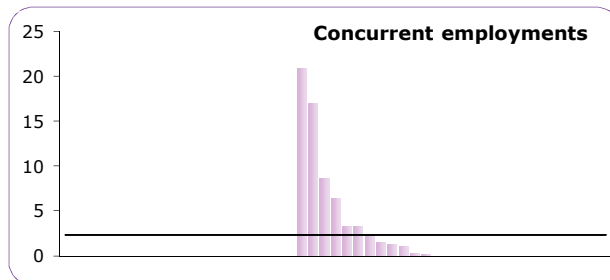
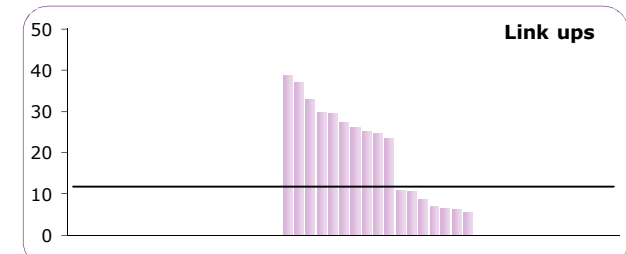
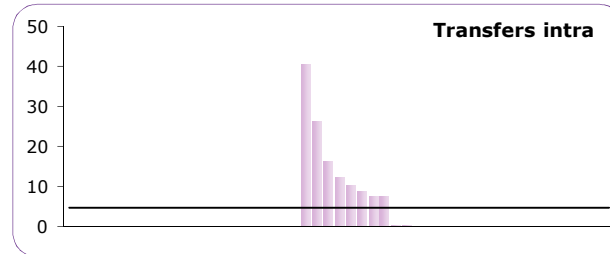
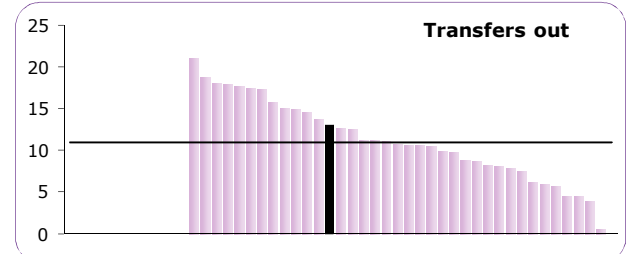
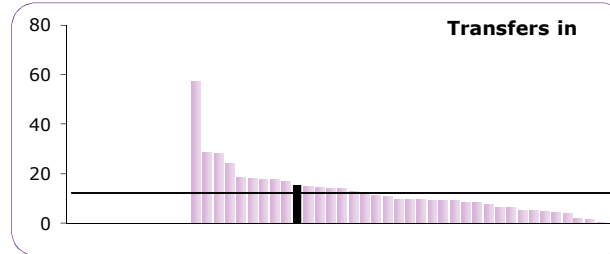
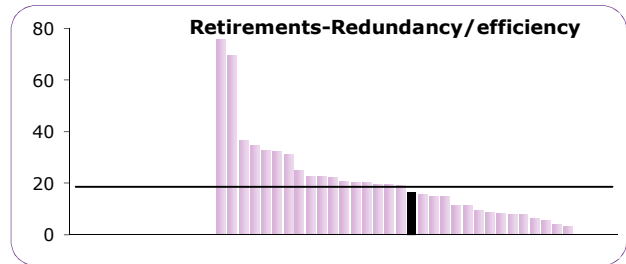
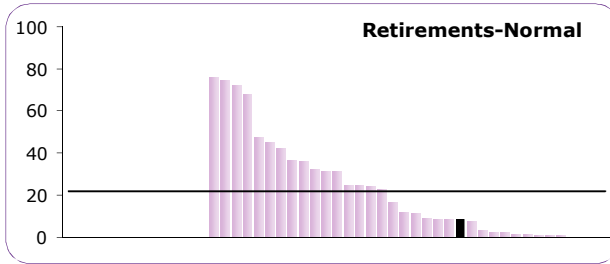
Retirements	No.	%	Avg
Normal	71	7%	25%
Incapacity/ill-health	28	3%	5%
Redundancy/efficiency	140	13%	16%
Under 60 (emp. consent)	22	2%	1.6%
60-65 (voluntary)	642	61%	40%
Over 65 (late)	109	10%	10%
Flexible	36	3.4%	2.9%
Total	1,048		



Retiring (per '000 active members)			
	No.	'000	Avg
Retiring	1,048	47	37

Active members
22,354

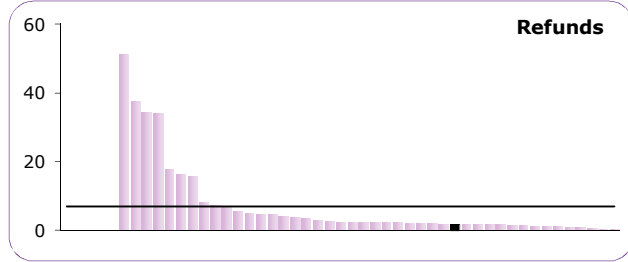
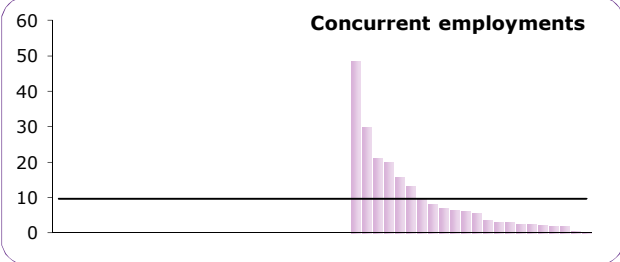
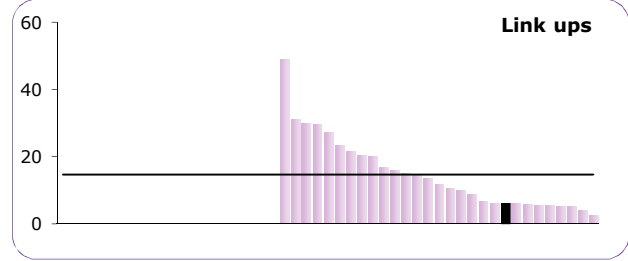
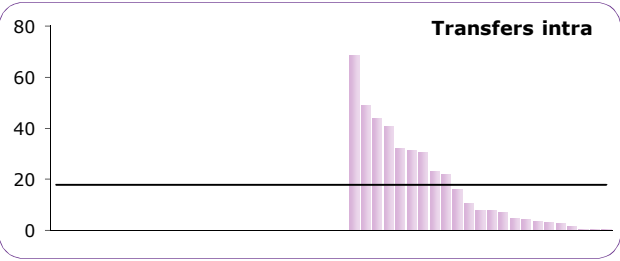
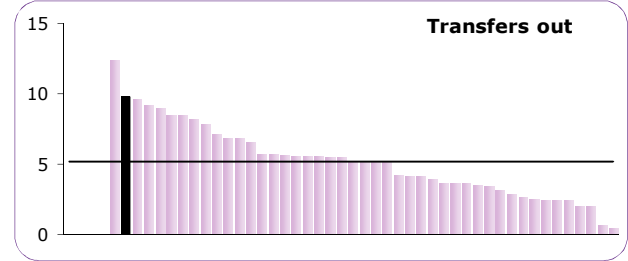
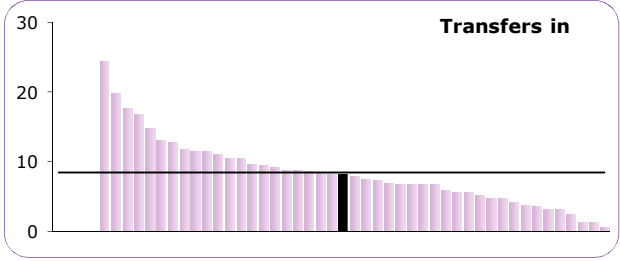
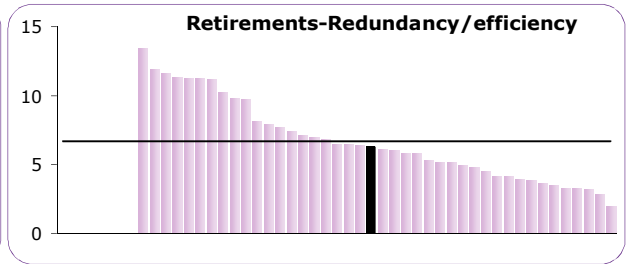
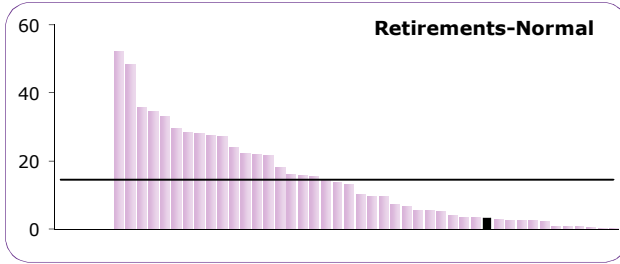
NUMBER OF QUOTATIONS PROVIDED (per '000 active members)



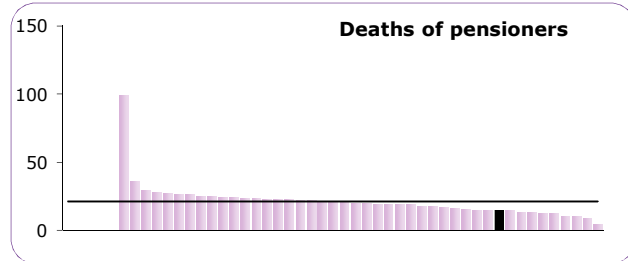
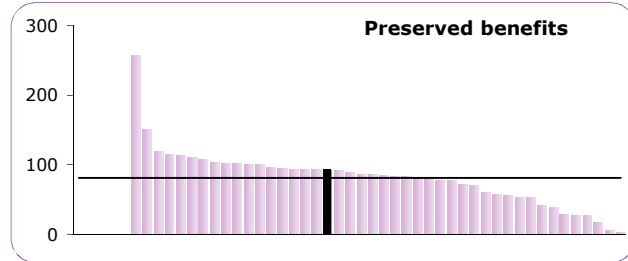
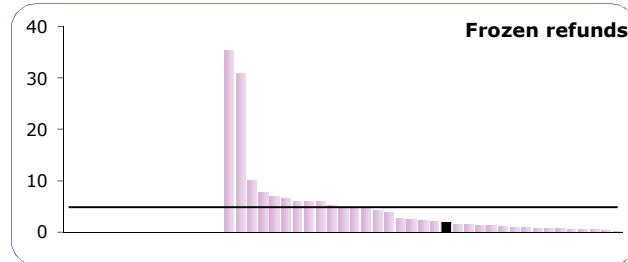
Active members: 22,354			
Quotations provided	No.	'000	Avg
TUPE -in	-	-	0
TUPE -out	-	-	0
Retirements:			
- Normal	190	8	22
- Incapacity/ill-health	34	2	2
- Redundancy/efficiency	365	16	19
- Flexible	77	3	2
- All other	680	30	18
Transfers in	344	15	12
Transfers out	290	13	11
Transfers intra	-	-	5
Link ups	-	-	12
Concurrent employments	-	-	2
Refunds	-	-	4
Divorce cases	132	6	5
Deaths in service	9	0	0
Deaths of pensioners	-	-	6

No of bulk transfers	No.	'000	Avg
TUPE -in	-	-	6
TUPE -out	-	-	6

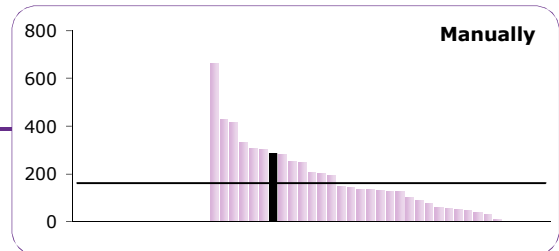
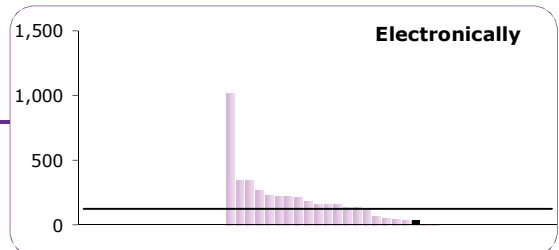
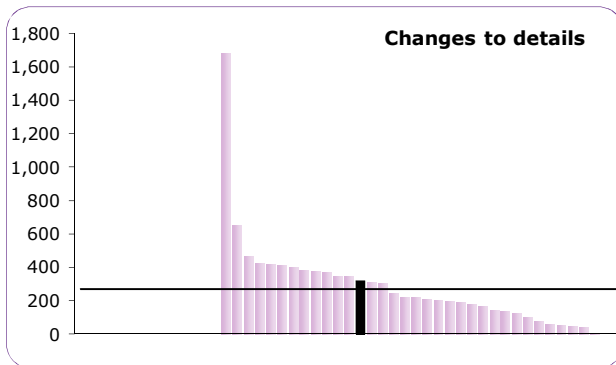
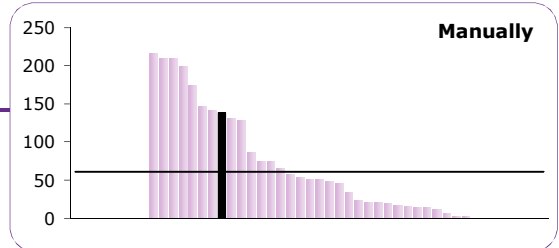
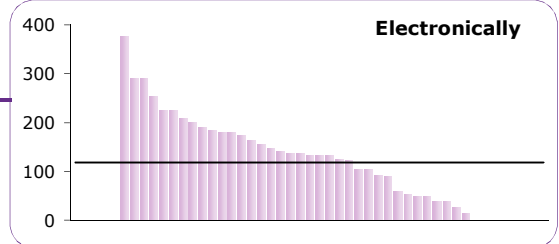
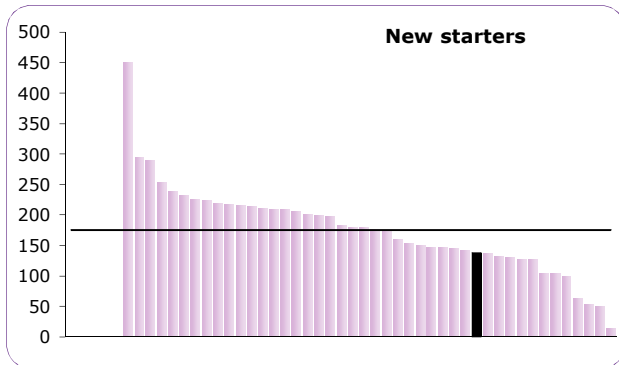
NUMBER OF ACTUAL EVENTS (per '000 active members)



Active members:		22,354		
Actual events	No.	'000	Avg	
TUPE -in	-	na	11	
TUPE -out	-	na	11	
Retirements:				
- Normal	71	3	14	
- Incapacity/ill-health	28	1	2	
- Redundancy/efficiency	140	6	7	
- Flexible	36	2	1	
- All other	773	35	17	
Transfers in	182	8	8	
Transfers out	219	10	5	
Transfers intra	-	na	18	
Link ups	136	6	15	
Concurrent employments	-	na	10	
Refunds	41	2	7	
Frozen refunds	43	2	5	
Preserved benefits	2,054	92	81	
Divorce cases	4	0	1	
Deaths in service	13	1	1	
Death of pensioners	332	15	21	
Single Status / Job Evaluation	-	na	na	



ACTUAL CALCULATIONS (per '000 active members)

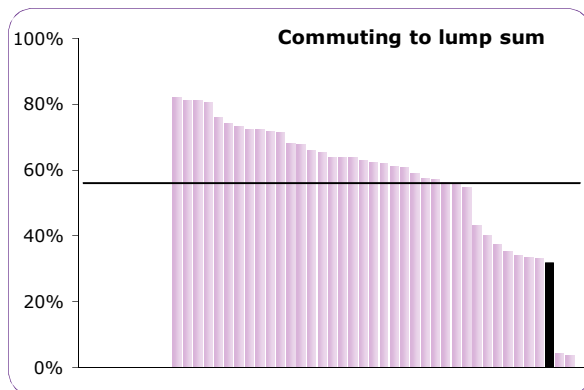


RETIREMENTS

Active members

22,354

Retirements commuting to lump sum



Actual calculations

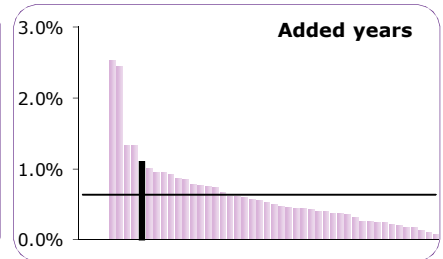
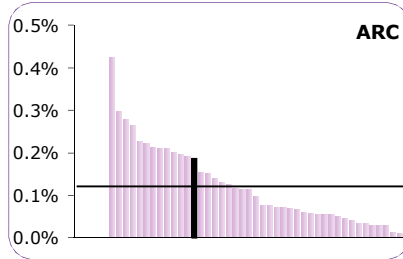
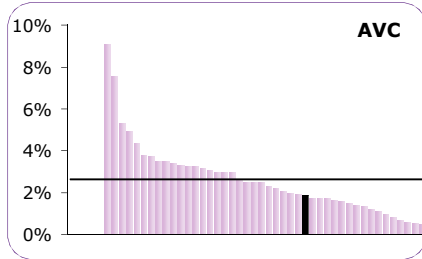
	No.	'000	Avg
New starters	3,091	138	175
- electronically	-	-	119
- manually	3,091	138	61
Changes to details	7,128	319	271
- electronically	742	33	122
- manually	6,386	286	160

Retirements commuting lump sum

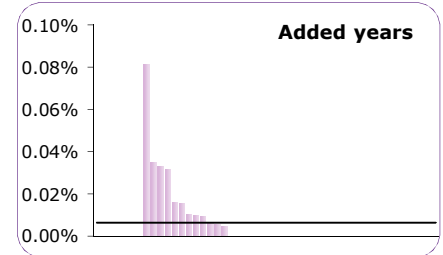
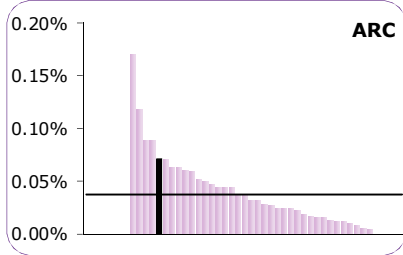
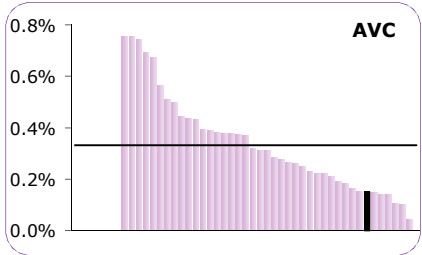
Number	% total	Avg
335	32%	56%

AVCs, ARCs and Added years

% Currently contributing



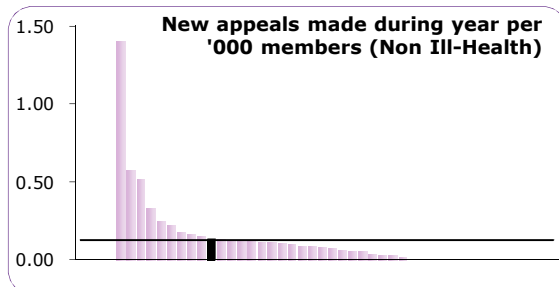
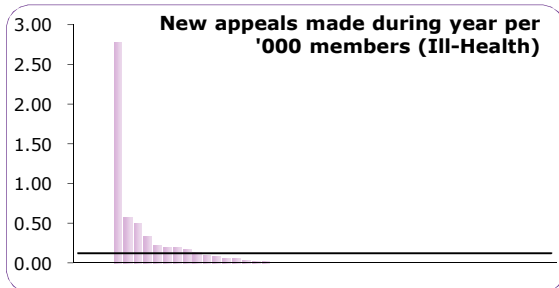
% New contributors this year



Contributors to AVCs and ARCS			
	No.	%	Avg
Currently contributing			
- AVC	420	1.9%	2.6%
- ARC	42	0.2%	0.1%
- Added years	249	1.1%	0.6%
Total	711	3.2%	3.0%
New contributors this year			
- AVC	34	0.15%	0.33%
- ARC	16	0.07%	0.04%
- Added years	-	0.00%	0.01%
Total	50	0.22%	0.32%

Active members
22,354

APPEALS

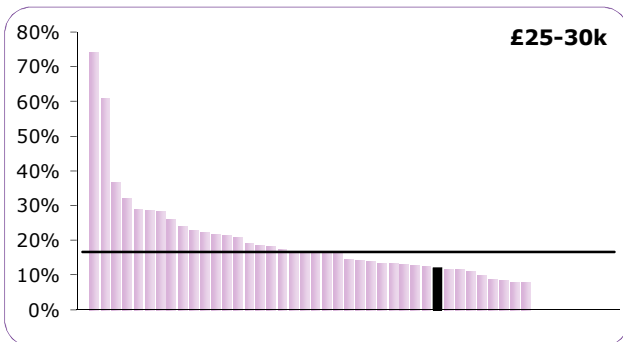
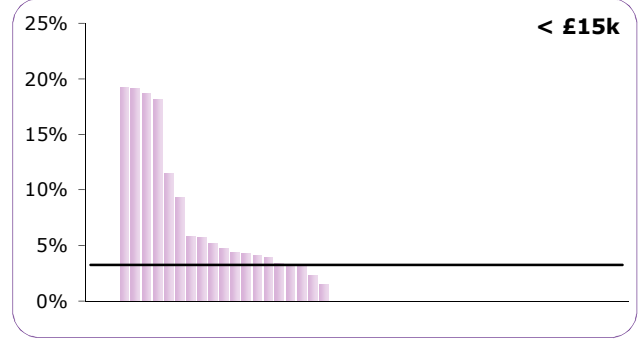
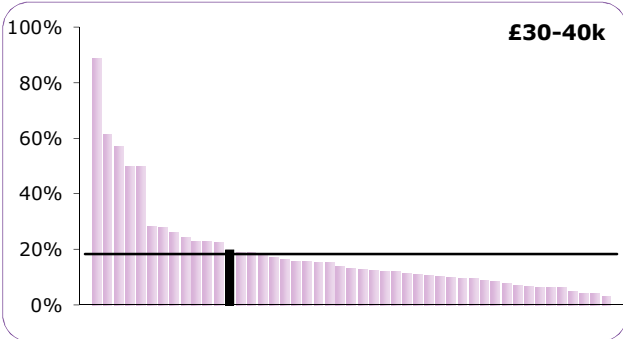
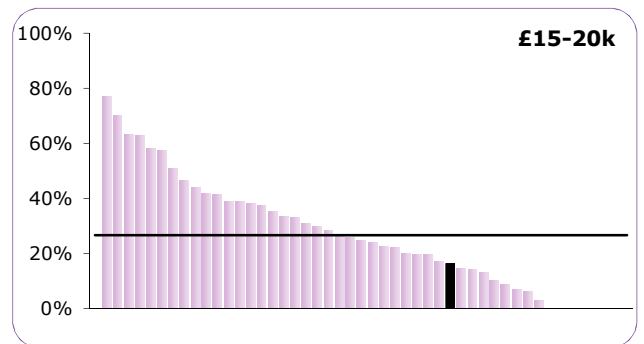
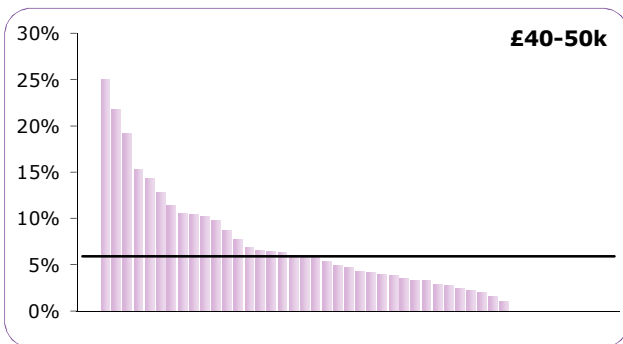
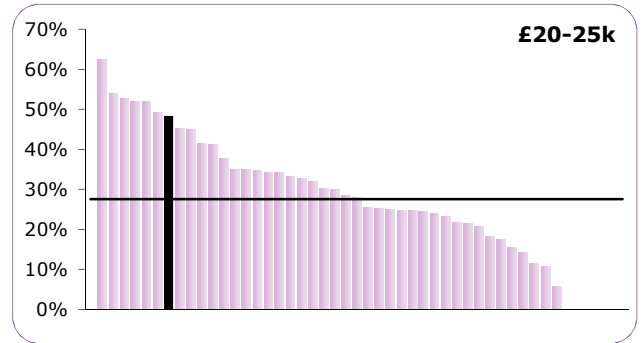
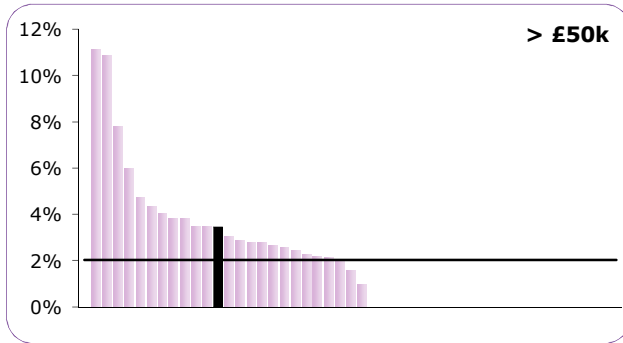


*Club total: This shows the total for all the Benchmarking Club members 2014

Number of appeals	No.	Per '000 members	Avg	Club* total
Ill-Health				
In progress at start of year	0	0.00	0.03	37
New appeals during year	0	0.00	0.12	225
Non Ill-Health				
In progress at start of year	1	0.04	0.02	40
New appeals during year	3	0.13	0.12	199
In progress at end of year	0	0.00	0.07	110
1st stage				
Total	..	na	0.25	250
Upheld	3	na	29%	50
Not Upheld	..	na	71%	203
2nd stage				
Total	..	na	0.19	204
Upheld	..	na	26%	52
Not Upheld	..	na	74%	154

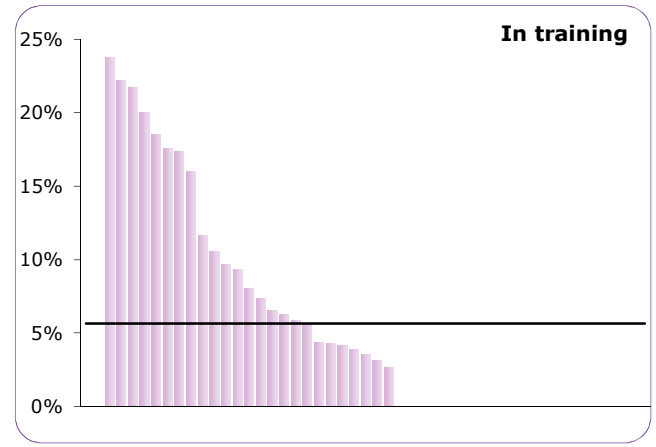
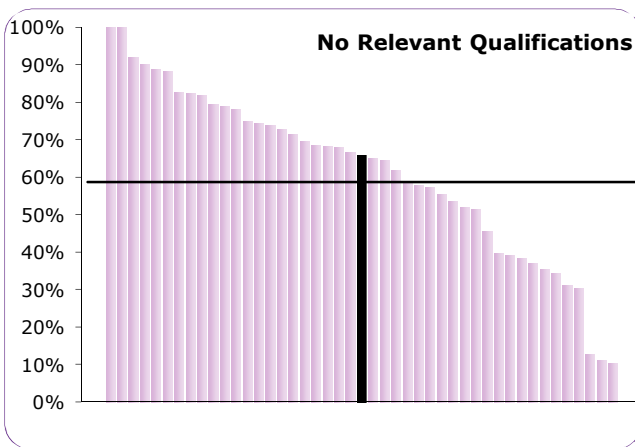
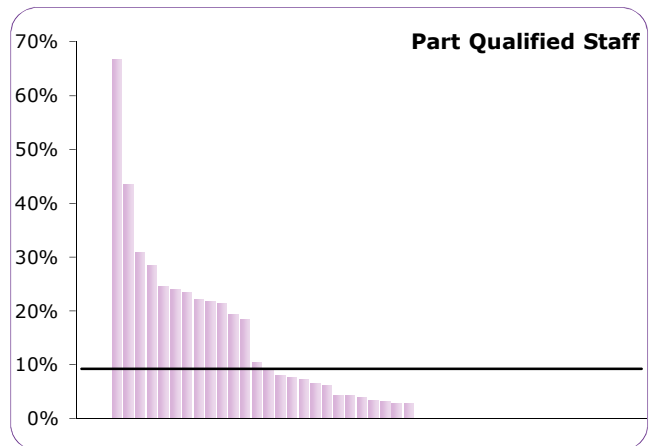
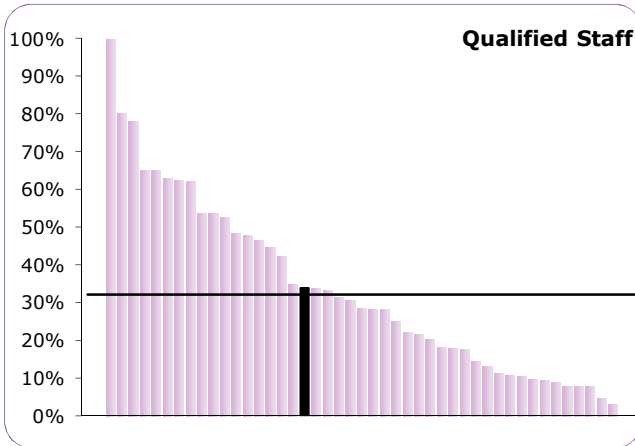
SECTION 4 - STAFF RELATED MEASURES

STAFF PAY



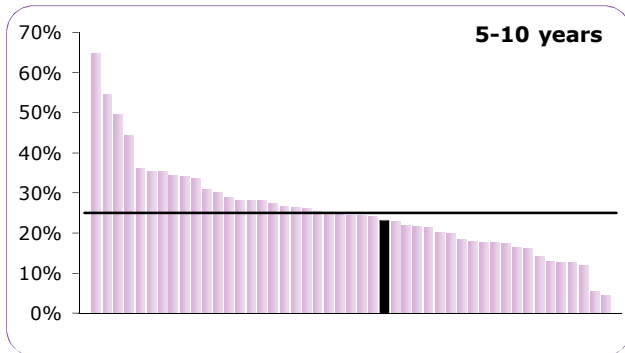
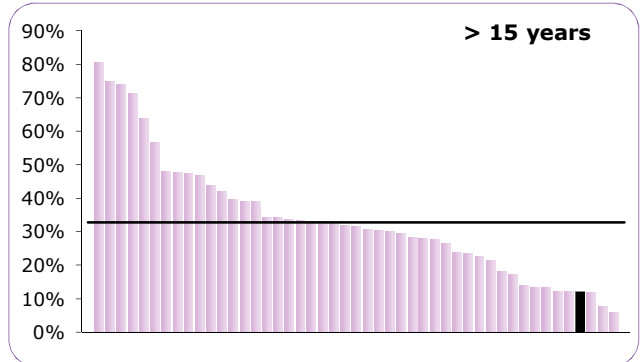
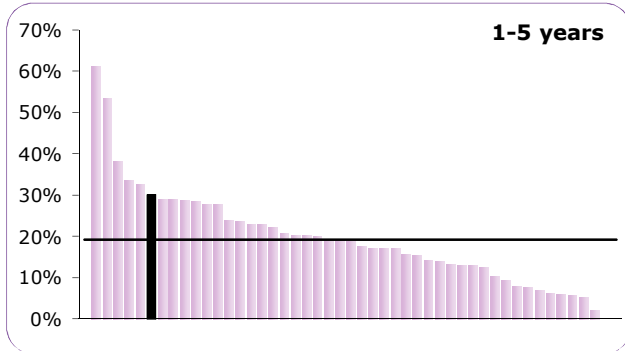
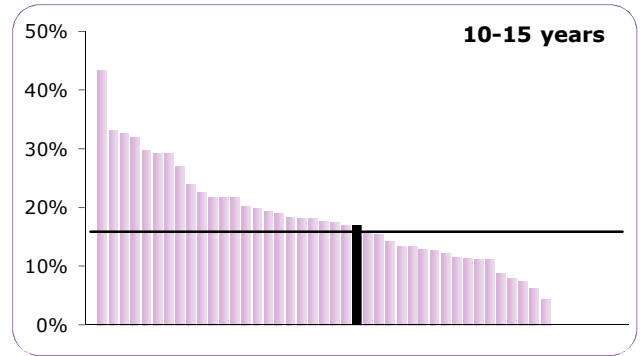
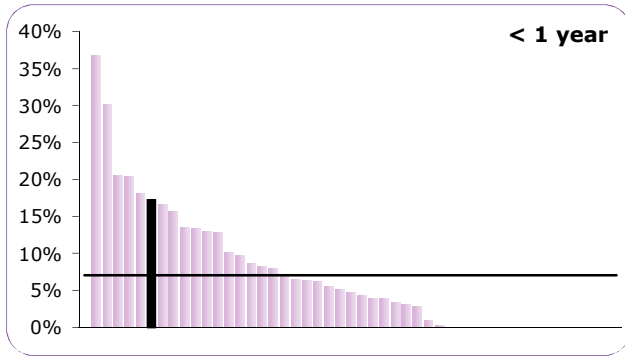
Staff pay			
	FTE	%	Avg
> £50k	1.0	3%	2%
£40-50k	0.0	0%	6%
£30-40k	5.7	20%	18%
£25-30k	3.5	12%	17%
£20-25k	13.9	48%	28%
£15-20k	4.7	16%	27%
< £15k	0.0	0%	3%
Total	28.8		

STAFF QUALIFICATIONS



Staff qualifications			
	FTE	%	Avg
Qualified Staff	9.8	34%	32%
Part Qualified Staff	0.0	0%	9%
No Relevant Qualifications	19.0	66%	59%
Total	28.8		
Number in Training	0.0	0%	6%

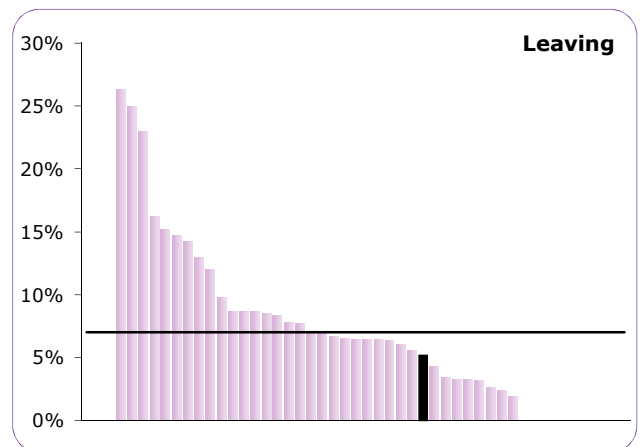
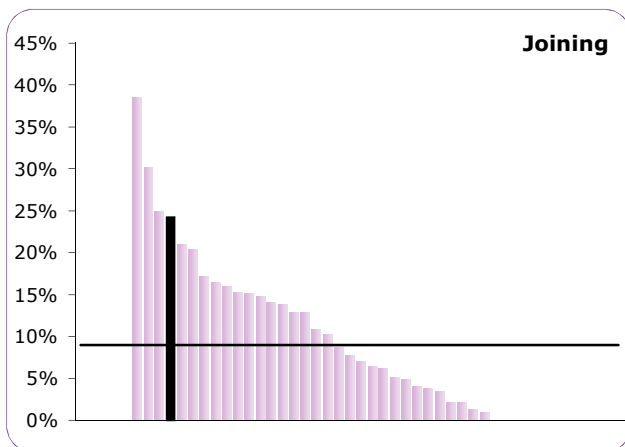
STAFF PENSIONS EXPERIENCE



Staff experience

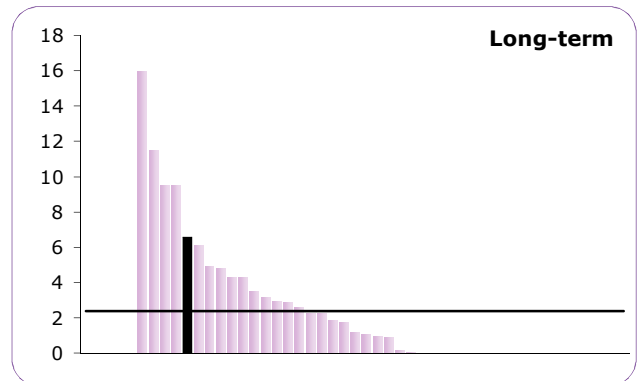
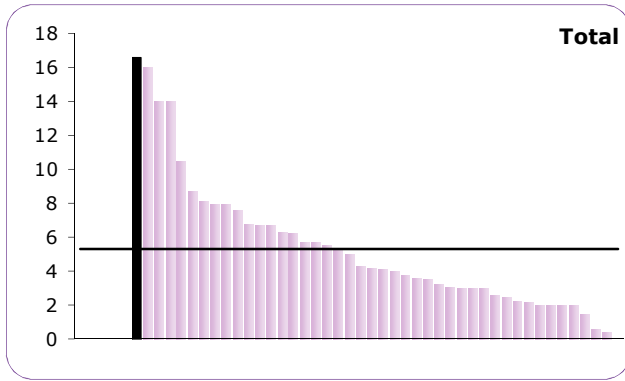
	FTE	%	Avg
< 1 year	5.0	17%	7%
1-5 years	8.7	30%	19%
5-10 years	6.7	23%	25%
10-15 years	4.9	17%	16%
> 15 years	3.5	12%	33%
Total	28.8		

STAFF TURNOVER



Staff Turnover	FTE	% change	Avg
Staff at 1/4/2013	28.8		
+ Staff joining Pension section	7.0	24.3%	9.0%
- Staff leaving Pension section	1.5	-5.2%	7.0%
Staff at 31/3/2014	28.8	23.6%	2.4%

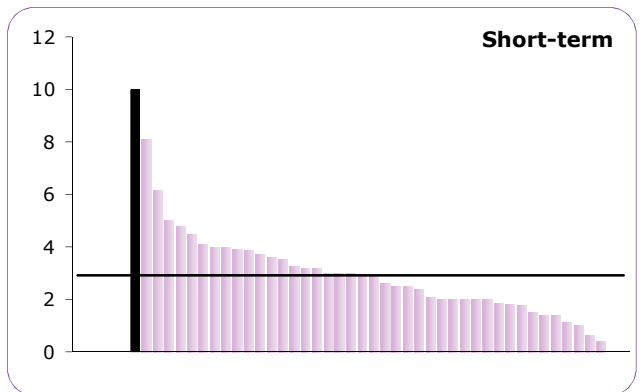
SICKNESS ABSENCE



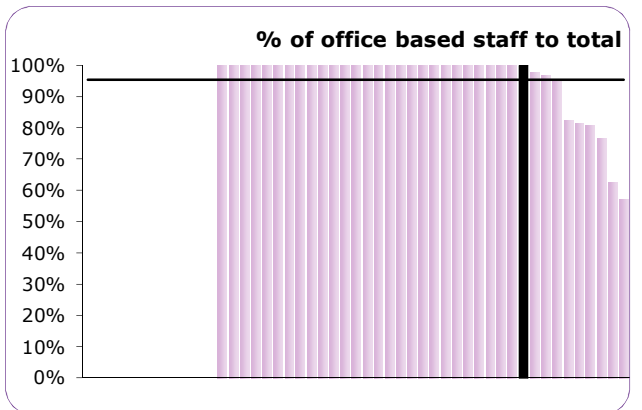
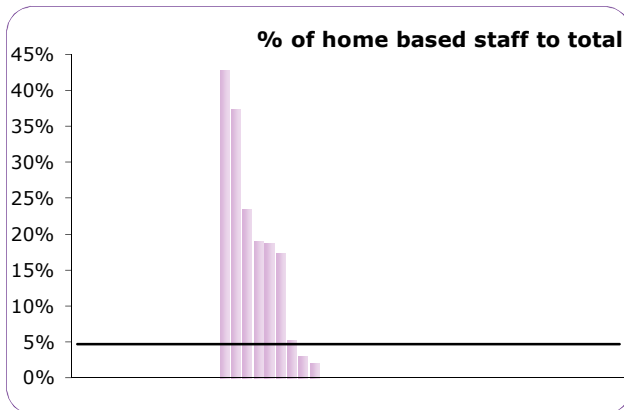
Sickness absence	Days/FTE	Avg
Long-term sickness	6.6	2.4
Short-term sickness	10.0	2.9
Total	16.6	5.3

Long-term sick (periods of sickness over 20 working days)

Short-term sick (periods of sickness of 20 days or less)



STAFF LOCATION

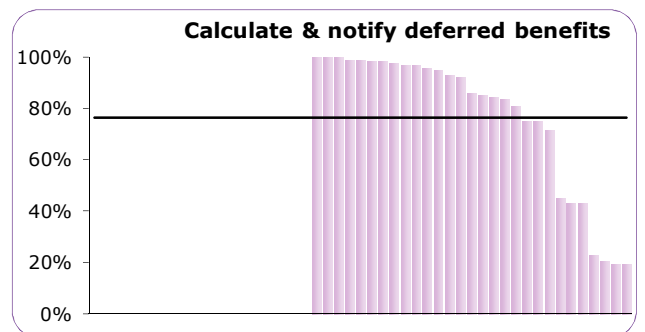
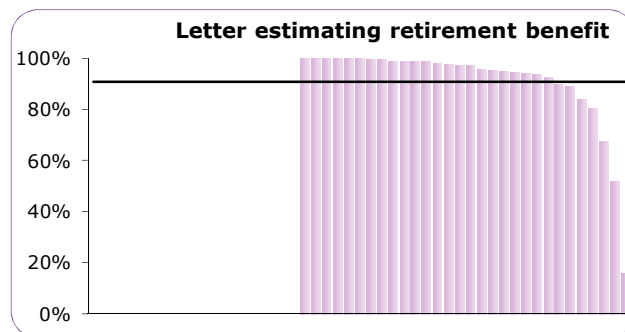
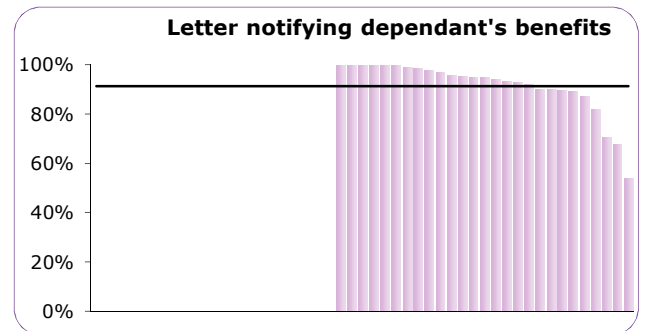
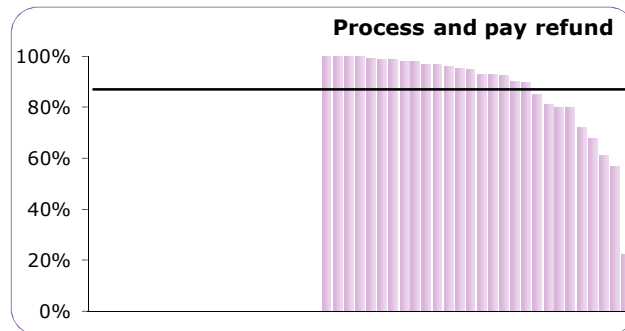
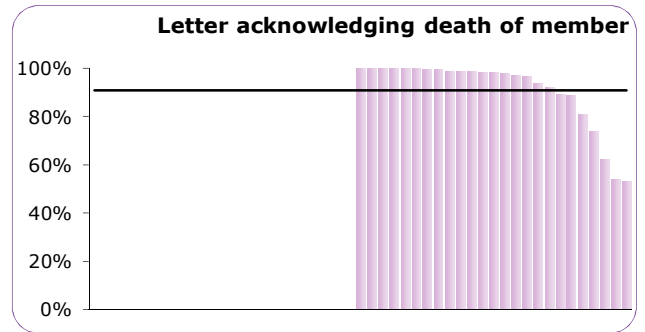
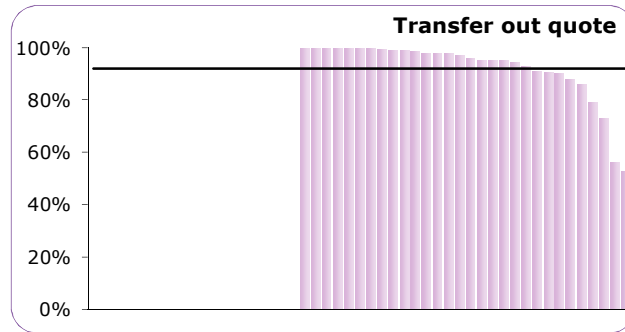
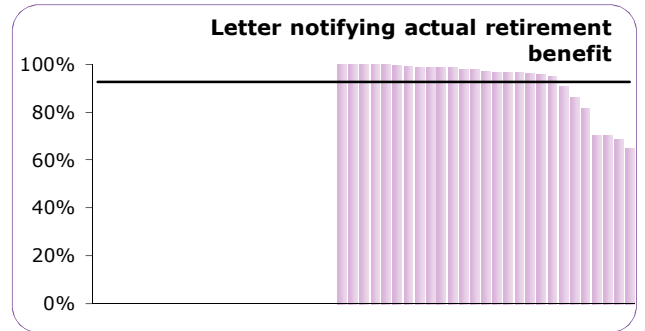
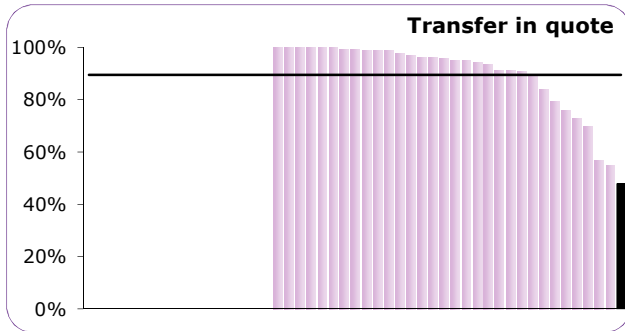


Staff location	FTE	% to total		
		Avg	FTE	Avg
Home based	0.0	0.8	0%	5%
Office based	28.8	28.0	100%	95%
Total	28.8			

Office Based: Staff members who spend >50% of their contracted time working in the office

Home Based: Staff members who spend 50% of their contracted time working from home.

SECTION 5 - INDUSTRY STANDARD PI'S



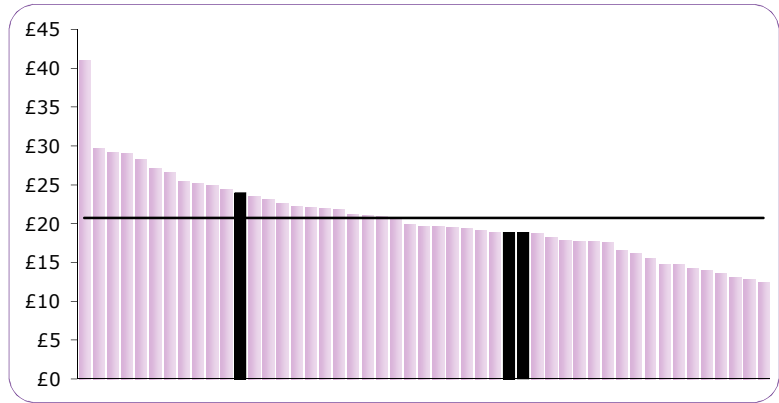
Industry Standard PI's	Target	Achieved	Avg
Letter detailing transfer in quote	10 days	48.0%	89.5%
Letter detailing transfer out quote	10 days	..	92.1%
Process and pay refund	5 days	..	87.1%
Letter notifying estimate of retirement benefit	10 days	..	90.8%
Letter notifying actual retirement benefit	5 days	..	92.5%
Process and pay lump sum retirement grant	5 days	..	92.7%
Letter acknowledging death of member	5 days	..	90.9%
Letter notifying amount of dependant's benefits	5 days	..	91.3%
Calculate and notify deferred benefits	10 days	..	76.4%

SECTION 6 - COMPARISON BY METHOD OF SERVICE DELIVERY

COMPARISON OF OUTSOURCED/IN-HOUSE MEMBERS

Total members with data:	50
Outsourced members:	3

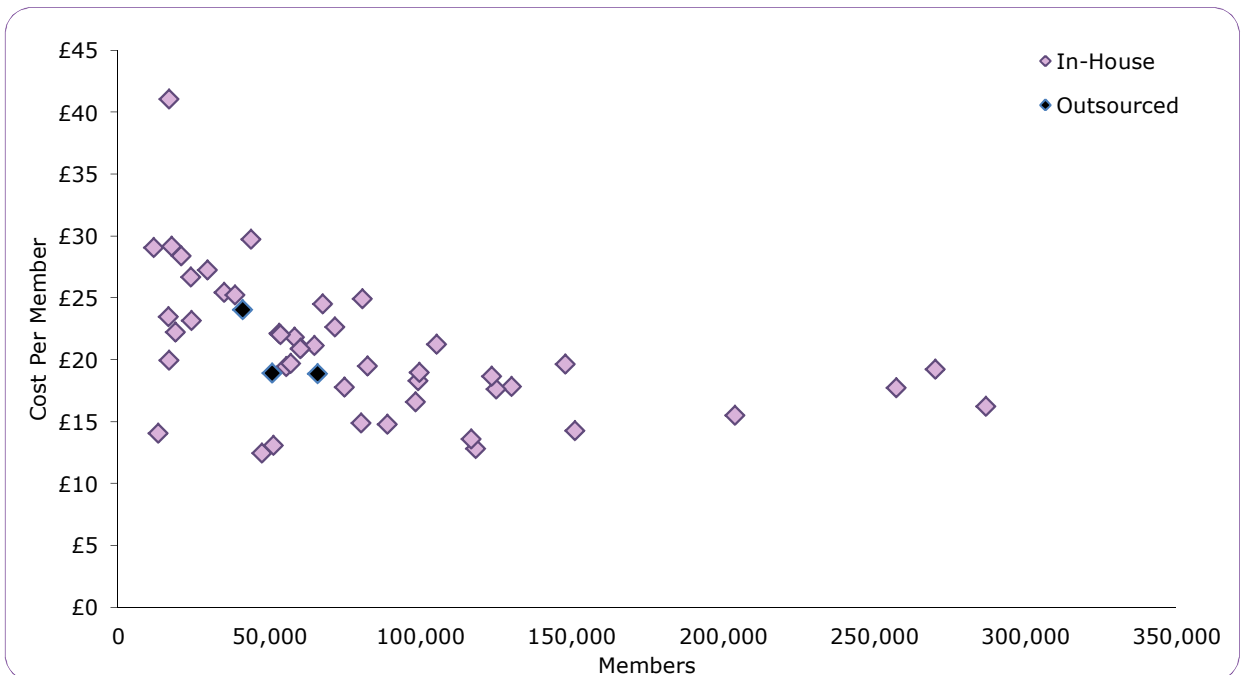
LGPS ADMIN COST PER MEMBER (INCLUDING PAYROLL)



Black bars show outsourced members

	Cost	Members	Cost per Member
Buckinghamshire	£1,265	60,496	£20.91
Club average	£1,512	80,807	£20.73
Outsourced average	£1,068	52,764	£20.61
In-house average	£1,541	82,676	£20.74

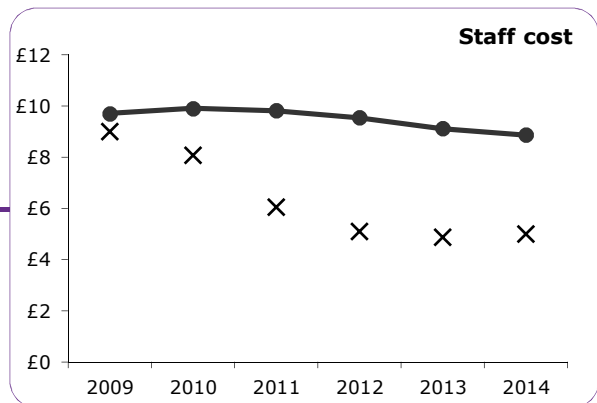
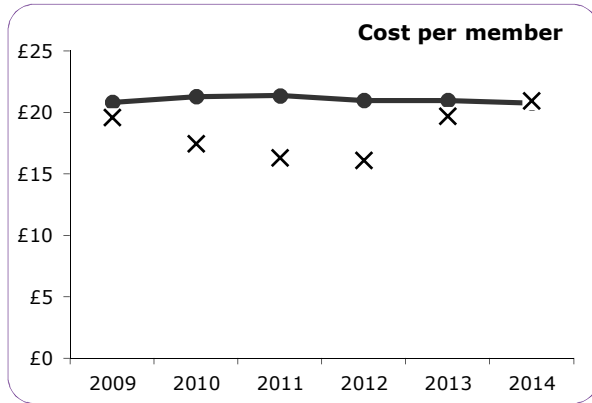
COST PER MEMBER COMPARED WITH NUMBER OF MEMBERS



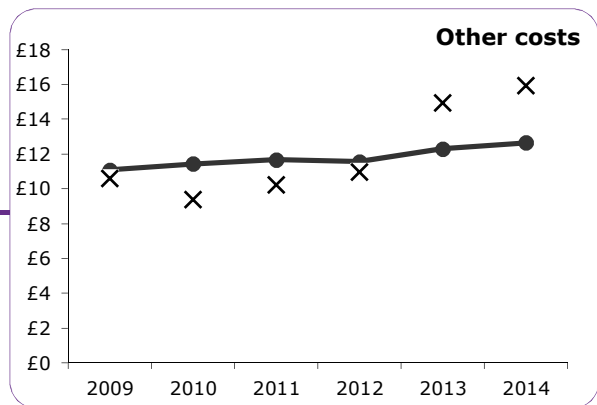
SECTION 7 - TIMESERIES

The 2014 averages are the actual club averages.

For previous years, the averages shown here are scaled up or down from the 2014 figure based on the average rate of change in each year. This is calculated using data from members who supplied figures in consecutive years, otherwise the simple average in each year would be distorted by changes in the composition of the club from year to year.



KEY:
 Club average
 Buckinghamshire



Time series analysis						
	2009	2010	2011	2012	2013	2014
Members	48,473	50,340	53,163	54,759	56,991	60,496
Net cost (£'000)	950k	879k	866k	880k	1,123k	1,265k
Cost per member	£19.60	£17.47	£16.28	£16.08	£19.70	£20.91
Average	£20.81	£21.28	£21.36	£20.97	£20.98	£20.75
Staff cost	£8.99	£8.07	£6.06	£5.11	£4.88	£5.01
Average	£9.71	£9.91	£9.82	£9.54	£9.12	£8.87
Other costs	£10.61	£9.40	£10.22	£10.96	£14.95	£15.93
Average	£11.08	£11.44	£11.67	£11.56	£12.31	£12.65



Report to Pension Fund Consultative Group

Title: Pensions Administration Performance

Date: 8th October 2014

Date Decision can be implemented: n/a

Author: Principal Pensions Officer

Contact Officer: Chris Thompson 01296 382833

Electoral Divisions Affected: N/A

Portfolio Areas Affected: All

Summary

The Pensions Administration Team have a customer charter (<http://www.buckscc.gov.uk/bcc/content/index.jsp?contentid=-1901867351>) outlining their commitment to turning work around within certain timescales. All post and requests for information are logged daily and reported on monthly to monitor the percentage of work that is not completed within the prescribed time limits.

Details of the work performance statistics for the last 12 months to August 2014 are presented below. The Pension Fund Consultative Group are required to monitor the performance of the Pensions Administration Team.

Recommendation

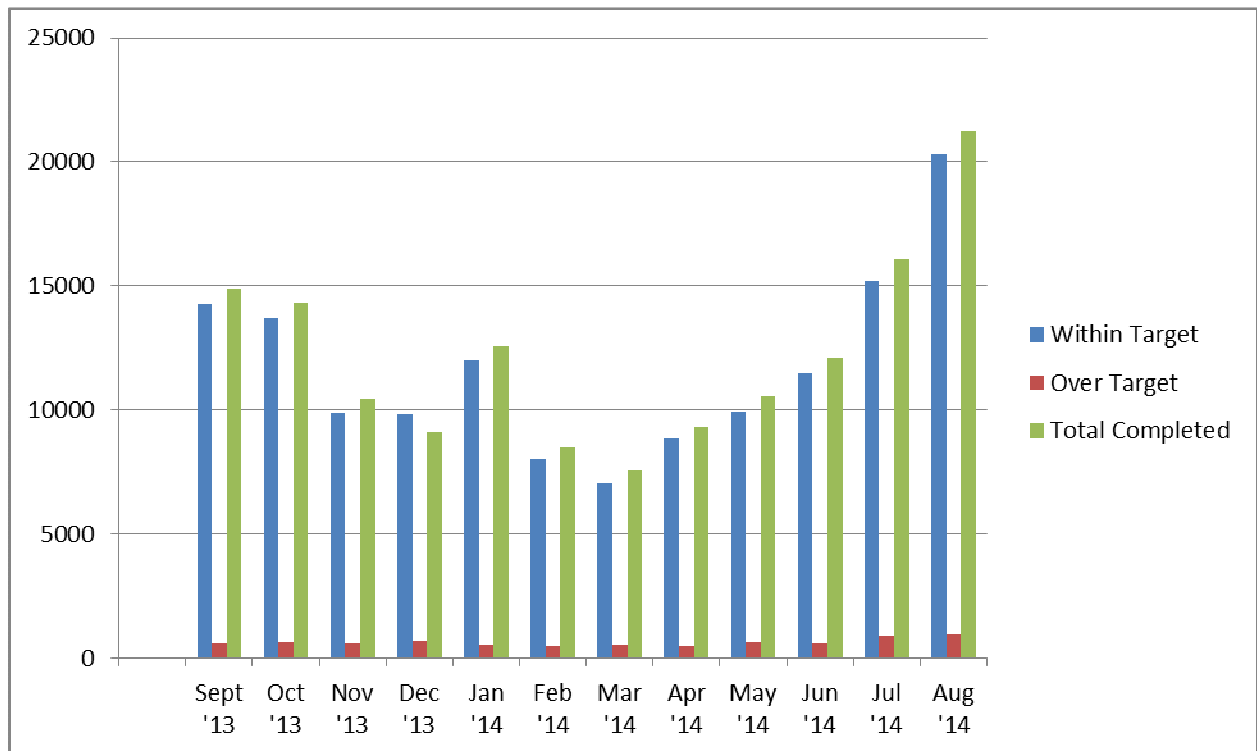
Members are asked to:

PFCG are asked to NOTE the performance statistics of the team.

A. Supporting information:

Workload statistics for the year to August 2014 are presented below:

Month	Within target	Over Target	Total	% over target
September	14253	612	14865	4.12
October	13703	632	14335	5.00
November	9880	564	10444	5.40
December	9827	708	9119	6.20
January 2014	12001	539	12540	4.30
February	8009	475	8484	5.60
March	7035	516	7551	6.83
April	8851	460	9311	4.94
May	9913	624	10537	5.92
June	11479	609	12088	5.04
July	15201	887	16088	5.51
August	20314	930	21244	4.38



To give an indication of the volumes of work, I draw your attention to the increase in the number of tasks completed in August 2014. To ensure where possible that Buckinghamshire County Council meets its statutory obligation to issue Annual Benefit Statements (ABS's) by 5th October, the Employer Liaison Team (ELT) processed almost 1500 year end tasks, these are tasks generated from queries arising on information supplied by employers on the year end contribution return. All employers who have received and responded to queries raised by the ELT, their employees will have annual benefit statements issued by the Pensions Department by 5th October 2014. Results of the Annual Benefit Statement survey are attached as Appendix 1.

On the day to day administration tasks remain high. To give an indication of work volumes in August 2014, 371 new retirement calculations were performed. These will have included retirements from active employment and also retirements from deferred status (former employees who have left employment and have reached retirement age). 720 queries were responded to. Queries cover the whole range of benefit administration from people enquiring about previous scheme benefits, to potential retirement and death benefits and also queries from pensioners about tax codings issued by HM Revenue and Customs. The number of daily retirement tasks remain high and the Benefit Administration Team treat this group as high priority and allocate the necessary resources.

Whilst the number of tasks not being completed remain the range of 4-7% the team are confident that the benefits of our current trainee officers will soon be felt as they progress through their training.

In addition a temporary structure in the Systems team has been put in place from 6th October 2014. This is to facilitate progress in a number of systems projects such as Employer Self Service and Member Self Service. Whilst progress is being made it has at times been frustratingly slow so it is hoped that this restructure will give renewed impetus to these projects.

In addition PFCG should be aware that a major project will soon be coming on line. Guaranteed Minimum Pension (GMP) reconciliation is linked to the ending of the contracted out status of the Local Government Pension Scheme (LGPS) in 2016 and will involve contracting out data being received from HMRC regarding scheme members, deferred and pension members and the Pensions Team having to reconcile the data provided by HMRC with the information held on the pensions database.

B. Other options available, and their pros and cons

N/A

C. Resource implications

The Pensions Administration team is funded by the Pension Fund.

D. Legal implications

It is a statutory obligation for the County Council to provide a Pensions Service on behalf of Scheme employers.

E. Other implications/issues

There are none.

F. Feedback from consultation and Local Member views

None

Annual Benefit Statement 2012/13 - Online Survey results

The online survey ran from June 2013 to March 2014

Step 1:1.00-1: Do you agree or disagree with the following statements about the Guide to your Annual Benefit Statement?

(The Guide to your Annual Benefit Statement was a useful reference guide)

This single response question was answered by 30 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	12	40%
Agree	5	17%
Neither agree nor disagree	4	12%
Disagree	2	7%
Strongly disagree	2	7%
Don't know	5	17%

Step 1:1.00-2: Do you agree or disagree with the following statements about the Guide to your Annual Benefit Statement?

(The Guide to your Annual Benefit Statement was easy to understand)

This single response question was answered by 30 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	12	40%
Agree	3	10%
Neither agree nor disagree	4	13%
Disagree	4	13%
Strongly disagree	2	7%
Don't know	5	17%

Step 1:2.00-1: If you have been in contact with the Pensions Section within the last 12 months by telephone, please rate the service you received

(The person I spoke to was polite and courteous)

This single response question was answered by 26 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	8	31%

Agree	2	7%
Neither agree nor disagree	1	4%
Disagree	1	4%
Strongly disagree	1	4%
N/A - have not called	13	50%

Step 1:2.00-2: If you have been in contact with the Pensions Section within the last 12 months by telephone, please rate the service you received

(The person I spoke to was knowledgeable)

This single response question was answered by 26 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	7	27%
Agree	3	12%
Neither agree nor disagree	1	4%
Disagree	1	4%
Strongly disagree		
N/A - have not called	14	53%

Step 1:2.00-3: If you have been in contact with the Pensions Section within the last 12 months by telephone, please rate the service you received

(The information I received met my requirements)

This single response question was answered by 26 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	8	31%
Agree	1	4%
Neither agree nor disagree	1	4%
Disagree	1	4%
Strongly disagree	1	4%
N/A - have not called	14	53%

Step 1:2.00-4: If you have been in contact with the Pensions Section within the last 12 months by telephone, please rate the service you received

(I received the information requested within a suitable timeframe (maximum 10 working days))

This single response question was answered by 26 respondents.

Response	Number of Respondents	Percentage of Respondents
----------	-----------------------	---------------------------

Strongly agree	8	31%
Agree	2	8%
Neither agree nor disagree		
Disagree		
Strongly disagree	2	8%
N/A - have not called	14	53%

Step 1:3.00-1: If you have been in contact with the Pensions Section within the last 12 months by letter or e-mail, please rate the service you received

(The response I received was clear and answered my question)

This single response question was answered by 19 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	6	32%
Agree		
Neither agree nor disagree	1	5%
Disagree	1	5%
Strongly disagree	2	11%
N/A - have not written or emailed	9	47%

Step 1:3.00-2: If you have been in contact with the Pensions Section within the last 12 months by letter or e-mail, please rate the service you received

(The information was clearly displayed and easy to understand)

This single response question was answered by 19 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	6	32%
Agree		
Neither agree nor disagree	1	5%
Disagree	1	5%
Strongly disagree	2	11%
N/A - have not written or emailed	9	47%

Step 1:3.00-3: If you have been in contact with the Pensions Section within the last 12 months by letter or e-mail, please rate the service you received

(I will happily contact the Pensions Section for information in the future)

This single response question was answered by 19 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	6	32%
Agree		
Neither agree nor disagree	2	11%
Disagree		
Strongly disagree	2	10%
N/A - have not written or emailed	9	47%%

Step 1:4.00-1: If you have used our website in the last 3 months, how useful did you find it as a reference tool?

(I was able to find the information I needed quickly and easily)

This single response question was answered by 17 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	4	24%
Agree	2	12%
Neither agree nor disagree		
Disagree	7	40%
Strongly disagree	2	12%
N/A - not used website	2	12%

Step 1:4.00-2: If you have used our website in the last 3 months, how useful did you find it as a reference tool?

(The information was clearly displayed and easy to understand)

This single response question was answered by 17 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	4	24%
Agree	2	12%
Neither agree nor disagree	1	6%
Disagree	6	34%
Strongly disagree	2	12%
N/A - not used website	2	12%

Step 1:4.00-3: If you have used our website in the last 3 months, how useful did you find it as a reference tool?

(I will be happy to use the website as a reference tool in the future)

This single response question was answered by 17 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	4	24%
Agree	3	18%
Neither agree nor disagree	1	6%
Disagree	5	28%
Strongly disagree	2	12%
N/A - not used website	2	12%

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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