

## Pension Fund Board

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**Title:** Pension Administration Strategy

**Date:** Friday 20 March 2020

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**Local members affected:**

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

### Summary

Regulation 59 of The Local Government Pension Scheme Regulations 2013 enables an administering authority to prepare a written statement of the authority's policies (its Pension Administration Strategy).

The Strategy was last revised in March 2019 as a result of the Pensions Improvement Review. One of the changes was to the charging schedule. The assessment of additional administration costs was changed from a fixed fee to being dependant on the amount of time spent on addressing non-compliance with the service level agreement. The application of this is onerous and the revised strategy reverts back to a fixed fee. This, along with charging for recalculations where incorrect information is provided by a scheme employer, are the only material changes to the strategy.

The Strategy was approved by Pension Fund Committee (PFC) on 28 February 2020 and prior to approval, was sent to Board Members for comment. The only comment added to the approved Strategy as a result of comments received from Board members is a change to the wording in Section 2.5 to confirm PFC are responsible for setting overall investment strategy, *including asset allocation and the Investment Strategy Statement*.

### Recommendation

**Members are asked to NOTE the revised Pension Administration Strategy**

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

## **Resource implications**

The pension administration strategy is a vital document to assist both the administering authority and scheme employers with the requirements of administering the Scheme. A Service Level Agreement is issued to employers outlining all of the requirements expected of them and of the administering authority. The Pension Regulator encourages participation with scheme employers to ensure they understand the key events and information they have to provide. If an employer fails to provide the required information, additional administration costs may be recovered from the employer and the reporting of a breach to The Pension Regulator can be considered. The Strategy provides a defined procedure to address any issues; ensuring employers have every opportunity to resolve underperformance before additional administration costs are incurred.

## **Legal implications**

N/A

## **Other implications/issues**

N/A

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

The revised Strategy has been issued to all scheme employers for comment and no comments were received.

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## **Background Papers**

<http://www.lgpsregs.org/schemeregs/lgpsregs2013/timeline.php#r59>

Appendix 1 – Pension Administration Strategy

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