



## Pension Fund Board agenda

Date: Wednesday 16 December 2020

Time: 10.00 am

Venue: Virtual meeting via MS Teams

### Membership:

B Black (Scheme employer representative), P Dearden (Scheme member representative), R Ellis (Scheme employer representative) (Vice-Chairman), S Mason (Scheme member representative) (Chairman), J McGovern (Scheme member representative), T Pearce (Scheme member representative), I Thompson (Scheme employer representative) and L Wheaton (Scheme employer representative)

<b>Agenda Item</b>	<b>Page No</b>
<b>1 Apologies / Declarations of interest</b>	
<b>2 Minutes of the Pension Fund Board</b> To agree the minutes of the 21 October 2020 Pension Fund Board meeting.	<b>3 - 8</b>
<b>3 Minutes of Pension Fund Committee</b> To note the minutes of the 19 November 2020 Pension Fund Committee meeting.	<b>To Follow</b>
<b>4 Administration Performance Statistics</b> To be presented by Ms S Price, Assistant Pensions Admin. Manager.	<b>9 - 14</b>
<b>5 Internal Dispute Resolution Procedure</b> To be presented by Ms S Price, Assistant Pensions Admin. Manager.	<b>15 - 18</b>
<b>6 Breaches of the law</b> To be presented by Mrs C Lewis-Smith, Pensions Administration Manager	<b>19 - 24</b>
<b>7 Training Opportunities</b> To be presented by Mrs C Lewis-Smith, Pensions Administration	<b>25 - 26</b>

	Manager	
<b>8</b>	<b>Forward Plan</b> To be presented by Mrs C Lewis-Smith, Pensions Administration Manager	<b>27 - 28</b>
<b>9</b>	<b>Annual Benefits Statements - Administration Year End Update</b> To be presented by Ms S Price, Assistant Pensions Admin. Manager.	<b>29 - 30</b>
<b>10</b>	<b>Exclusion of Press and Public</b> 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).	
<b>11</b>	<b>Annual Benefits Statements - Confidential Appendix</b> To be presented by Ms S Price, Assistant Pensions Admin. Manager.	<b>31 - 32</b>
<b>12</b>	<b>Confidential minutes of Pension Fund Board</b> To agree the confidential minutes of the 21 October 2020 Pension Fund Board meeting.	<b>33 - 36</b>
<b>13</b>	<b>Confidential minutes of Pension Fund Committee</b> To note the confidential minutes of the 19 November 2020 Pension Fund Committee meeting.	<b>To Follow</b>
<b>14</b>	<b>Pension Fund Performance</b> To be presented by Julie Edwards, Head of Pensions.	<b>37 - 98</b>
<b>15</b>	<b>Date of next meeting / AOB</b> 17 March 2021, 10am. Venue to be confirmed.	

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

For further information please contact: Anne-Marie Kenward on 01296 382236, email [democracy@buckinghamshire.gov.uk](mailto:democracy@buckinghamshire.gov.uk).



## Pension Fund Board minutes

Minutes of the meeting of the Pension Fund Board held on Wednesday 14 October 2020 in Virtual meeting via Microsoft Teams.

### Members present

B Black, R Ellis, S Mason, J McGovern, T Pearce, I Thompson and L Wheaton

### Others in attendance

J Edwards, A Kenward and C Lewis-Smith

### Apologies

None

### Agenda Item

**1 Apologies / Declarations of interest**

Ms T Pearce gave an apology in advance for leaving the meeting at 10.50am.

**2 Minutes of the Pension Fund Board**

**RESOLVED**

**Members of the committee AGREED the minutes of the Pension Fund Board held on 23 July 2020**

**3 Minutes of Pension Fund Committee**

**ACTION**

**Minutes of the Pension Fund Committee held on 24 September 2020 would be circulated to members of the Board once published.**

**4 i-Connect/Pensions "Online" Update**

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

The following points were highlighted:

- My Pensions Online was now the preferred option for communication reducing the number of mail outs and improving confidentiality.
- 2600 pensioner members had opted out of receiving online P60's.
- There were approximately 600 new registrations each month with an

increased number in August 2020 as a result of issuing Annual Benefit Statements The team would be targeting those with incomplete registrations.

- The i-Connect project manager had left October 2019. Following a review of the on-boarding process the role had been absorbed into the Systems and Employer Liaison Team.
- 96 employers were on-boarded as of September 2020 for a total of 22% of active employers.
- There had been good uptake for small employers. The team were now looking to target larger employers. With larger employers work was often needed to improve their data quality first.

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

- **ACTION: Ms Price to include no. of active users by age range**
- It would not be possible to give employers a list of employees who had not signed up due to GDPR however employers can obtain details of the percentage of their employees who have registered for the online service
- Where an email address was held for scheme members they receive an email stating a document has been published online even if they were not registered. If no email was held and they had not registered, they would receive a letter asking them to sign up to view their benefit statements but other communications would be sent via post until they have registered
- The Board were keen to see Buckinghamshire Council registered for i-Connect.

## **RESOLVED**

**Members of the Board NOTED the update.**

### **5 Internal Administration Benchmarking**

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

The following points were highlighted:

- Staff turnover and open vacancies had been included as requested.
- There would be a review of the team structure to ensure readiness for upcoming work. It was expected the team would grow over the next year
- Pay seemed to be on average comparable to other LGPS administering authorities.
- Job profiles were regularly reviewed to ensure the range of work and training on offer supports staff retention.
- Short term sickness had reduced. There had been three unavoidable long-term absences linked to surgery rather than work related issues. It is expected that short term absences remain low possibly due to home working.

The increase in administration costs reflected an increase in staffing costs but the cost per scheme member remained the same due to an increase in

scheme membership.

The following points were discussed:

- Where further staff were recruited as a result of an increase in workload due to the McCloud remedy, it is expected that new staff would be used to cover the day to day workload allowing experienced staff to tackle specialist tasks.
- There is also the option of external companies being used to assist in the McCloud remedy should it be felt that this could not be undertaken using the Pensions Team, with additional resource. This will be explored as part of McCloud planning. Ms Price would look at including information in the employer newsletter to encourage employers to include information on possible refunds as part of their leavers process.

**ACTION: Ms Price**

- Regarding staff retention:
  - It was confirmed that managers conducted exit interviews with leavers but did not track their future employers. It was felt unlikely that staff were moving on to other authorities due to similar levels of pay.
  - Highest turnover was with Member Liaison Officers who regularly progress to other roles within the team as they arose.
  - Role responsibilities were regularly reviewed to ensure staff were not lost because roles were unstimulating.
- Reports now included details of previous years for comparison. Three years was felt to be a good timescale.

**RESOLVED**

**Members of the Board NOTED the update.**

**6 Breaches of the law**

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

The following points were highlighted:

- Breaches with an asterisk showed new breaches for 2019. Going forward the log would be for the current year only.
- Shortly before this meeting an error had been discovered in the contributions data. The report would be revised and brought to the December 2020 meeting.

**RESOLVED**

**Members of the Board NOTED the update.**

**7 Risk register**

Mrs J Edwards Head of Pensions, Buckinghamshire Council gave an overview of the report circulated with the agenda.

The following points were discussed:

- The first matrix showed the risk and the second the risk after mitigating action had been taken.
- Regarding risk 6 the team were able to issue fines and report employers to the pensions regulator for failing to provide necessary data in a timely manner. It was also hoped that migrating more employers to i-Connect would improve data quality.
- It would not be possible to predict the number of employees who may decide to take voluntary redundancy ahead of the £95k cap coming into effect, particularly as the final cut off date was unknown.

**RESOLVED**

**Members of the Board NOTED the update.**

**8 GMP reconciliation/rectification**

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

The following points were highlighted:

- Reconciliation was expected to be complete by November 2020. At that stage the team would know the level of work needed. Further information would be brought to the December 2020 meeting.
- There were no specified deadlines for completion. Team wanted to complete before April 2021.

**RESOLVED**

**Members of the Board NOTED the update.**

**9 Administration performance statistics**

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

The following points were discussed:

Pension Saving Statements had been issued to 78 members who had exceeded their annual allowance. It would be the scheme members' responsibility to calculate their tax liability. Tax could then be paid directly or using "scheme pay".

The McCloud consultation had now closed. Internal administration preparation would begin shortly. External communications had been shared asking employers to start recording relevant information going forward. The Scheme Advisory Board would produce national guidance for when it would not be possible to retrieve historical data i.e. closed schemes.

A decision on the £95k exit cap was expected shortly.

It was agreed that percentage from the previous period only would be included for comparison of incoming communications.

**ACTION: Ms Price**

**RESOLVED**

**Members of the Board NOTED the update.**

**10 Forward Plan**

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

The following points were highlighted:

- Following discussion, the Pension Fund Board meetings would continue to be held after the Pension Fund Committee.
- Dates for 2021 meetings would be circulated.

**RESOLVED**

**Members of the Board NOTED the update.**

**11 Annual benefits statement - administration year end update**

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

The following points were highlighted:

- All but two employer's had their returns processed by 31 August including cases where additional information was requested.
- 78.9% of statements had been issued within timescales. This was lower than hoped due to one large employer not submitting their return in time. Excluding that employer, 97.42% of statements had been issued on time. Late statements are being issued weekly as rectification progressed.
- There had been a 15% reduction in work relating to historical outstanding cases between July and September. This was expected to increase as the end of year statement period came to an end.

**RESOLVED**

**Members of the Board NOTED the update.**

**12 Exclusion of Press and Public**

**13 Annual benefits statements - confidential appendix**

**14 Confidential minutes of Pension Fund Board**

**15 Confidential minutes of Pension Fund Committee**

**16 Pension fund performance**

**17**     **Date of next meeting / AOB**  
**DATE OF NEXT MEETING**  
16 December 2020, 10am



## Report to Pension Fund Board

**Date:** 16 December 2020

**Title:** Administration Performance Statistics

**Author and/or contact officer:** Sam Price, Assistant Pensions Administration Manager

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

### **Executive summary**

The Buckinghamshire Pension Board is required to monitor the performance of the Pensions Administration team. The purpose of this report is to provide the Board with a review of the team's performance since the last Board meeting.

### **Content of report**

1.1 The following areas of performance have been covered in this report:

[Incoming Communications](#)

[Workload/Performance Measures](#)

[Projects](#)

## Incoming Communications

We receive a high volume of communications into the Pensions Administration team from scheme members, employers & others. Sub-teams are very proactive in processing these within set timeframes to ensure that requests can be dealt with as quickly and efficiently as possible.

The following table provides an analysis of the incoming communications received between 1 October 2020 and 30 November 2020.

Type of incoming communication	Number received
Post	1,293
Pensions Inbox	3,628
Employers Inbox	234
'My Pension Online' registration/query Inbox	1,794
Document uploads via 'My Pension Online'	382
Telephone calls	1,991
<b>Total Communications</b>	<b>9,322</b>
<i>Ave. Daily Communications</i>	<i>217</i>

Each sub-team that is responsible for the areas of communication above have a set target for responding or dealing with the communication within. The table below provides details of the targets and performance against these targets within the period 1 October 2020 and 30 November 2020.

Type of incoming communication	Target	Achieved	Previous
Post	Same day*	100%	100%
Pensions Inbox	Same day*	100%	100%
Employers Inbox	10 working days	100%	100%
'My Pension Online' registration/query Inbox	Same day	100%	100%
Document uploads via 'My Pension Online'	1 working day	98.95%	98.45%
Telephone calls	Ave queue time < 40 sec	46 sec	45 sec
	Ave calls answered > 97%	95%	96%

\*The same day target is for Pensions Assistants to process each individual item by uploading the document to the scheme members pension record and creating the relevant workflow/updating the existing workflow.

## Workload/Performance Measures

The table below provides the Board with statistics relating to all areas of pension administration workloads based on in department turnaround times. This is based on stats for October and November 2020 only.

### Retirements

	Performance against Target			Case Completion Statistics		
	Target (working days)	Percentage achieved	Previous percentage achieved	Cases open at the beginning of the period	Total new cases created during the period	Total cases completed during the period
<i>Active Scheme Member</i>						
Retirement pack issued	10	96%	96%			
Admin Process completed	20	98%	98%			
Retirement payroll process completed	5	88%	90%			
<b>Whole retirement process</b>	25	96%	96%	266	218	249
<i>Deferred Scheme Member</i>						
Retirement pack issued	10	93%	94%			
Admin process complete	20	98%	97%			
Retirement payroll process completed	5	88%	90%			
<b>Whole retirement process</b>	25	96%	95%	120	224	245
Retirement queries	10	100%	97%	13	102	102
Retirement re-calculation	10	75%	77%	18	37	24

### Deaths

	Performance against Target			Case Completion Statistics		
	Target (working days)	Percentage achieved	Percentage achieved	Cases open at the beginning of the period	Total new cases created during the period	Total cases completed during the period
Death of active scheme member	11	100%	100%	9	2	3
Death of deferred scheme member	11	100%	100%	19	7	13
Death of pensioner scheme member	11	95%	97%	59	61	75
Death of widow/dependant	11	94%	97%	15	10	17
Death payroll process completed	5	91%	88%			
<b>Whole death process</b>	16	93%	94%	102	80	108
Death queries	10	95%	100%	10	29	34
Death re-calculation	10	100%	N/A	0	3	3
Death estimates	10	100%	93%	0	2	1

The above two areas, along with refunds shown below make up our priority areas of work. These are the main areas where scheme members will be waiting payment of a benefit and we prioritise daily to ensure a quick turnaround. We have a target to achieve a minimum of 90% of priority tasks completed within relevant turnaround times and this is reported on quarterly. The table below shows the achieved percentages for each quarter of 20/21 so far.

Quarter 1 2020/21	92.44%
Quarter 2 2020/21	93.11%
Quarter 3 2020/21 (so far)	93.98%

## Leavers

	Performance against Target			Case Completion Statistics		
	Target (working days)	Percentage achieved	Percentage achieved	Cases open at the beginning of the period	Total new cases created during the period	Total cases completed during the period
Opt outs processed	10	100%	99%	48	71	71
Opt out query	10	100%	90%	0	9	9
Deferred benefits calculated	10	88%	68%	840	392	461
Deferred benefits re-calculated	10	84%	45%	11	18	19
Deferred refunds calculated	10	98%	96%	220	285	327
Refund actuals processed	10	97%	97%			
Refund payroll process completed	5	99%	100%			
While actual refund process	15	98%	98%	16	140	142
Refund query	10	90%	99%	12	28	36
Refund re-calculations	10	50%	77%	6	9	12

## Additional Contributions

	Performance against Target			Case Completion Statistics		
	Target (working days)	Percentage achieved	Percentage achieved	Cases open at the beginning of the period	Total new cases created during the period	Total cases completed during the period
Additional Voluntary Contributions - start	10	100%	96%	0	17	17
Additional Voluntary Contributions - change	10	88%	100%	1	6	7
Additional Voluntary Contributions - cease	10	100%	100%	0	1	1
Additional Pension Contributions - start	10	100%	97%	2	11	11
Additional Pension Contributions - cease	10	N/A	100%	0	0	0
Additional contributributions query	10	N/A	N/A	0	0	0

## Estimates

	Performance against Target			Case Completion Statistics		
	Target (working days)	Percentage achieved	Percentage achieved	Cases open at the beginning of the period	Total new cases created during the period	Total cases completed during the period
Member requested estimate	10	97%	95%	71	166	188
Employer requested estimate	10	90%	94%	10	69	64

## General

	Performance against Target			Case Completion Statistics		
	Target (working days)	Percentage achieved	Percentage achieved	Cases open at the beginning of the period	Total new cases created during the period	Total cases completed during the period
Member query	10	82%	81%	239	280	377
Pensioner query	10	91%	90%	48	112	121
Financial Advisor query	10	84%	97%	18	68	62
My Pension Online' query	10	100%	92%	0	119	114
Address change (pensioner)	10	90%	92%	9	39	43
Address change (non-pensioner)	10	97%	100%	7	29	32
Change of hours update	10	N/A	100%	0	0	0
Change of personal details update	10	100%	100%	3	99	83
Death grant nomination	10	100%	97%	0	22	21
Change in bank details update	10	100%	97%	14	44	45
Divorce quote	10	98%	100%	12	40	47
Divorce actual processed	20	100%	100%	3	2	1
Divorce query	10	N/A	N/A	0	0	0
New starter creation	10	97%	98%	45	586	537

## Transfers

	Performance against Target			Case Completion Statistics		
	Target (working days)	Percentage achieved	Percentage achieved	Cases open at the beginning of the period	Total new cases created during the period	Total cases completed during the period
<i>Transfers (non-LGPS)</i>						
Transfer in quote	10	100%	88%	54	30	31
Transfer in actual	20	100%	100%	30	19	28
Transfer out quote	10	100%	92%	22	44	44
Transfer out actual	10	100%	95%			
Transfer payroll process completed	5	100%	100%			
<b>Whole transfer out process</b>	15	100%	97%	16	11	10
Transfer query	10	100%	100%	11	80	74
<i>Interfund Transfer (between LGPS Authorities)</i>						
Interfund in	30	77%	85%	249	121	207
Interfund out quote	10	61%	65%	40	63	99
Interfund out actual	10	76%	83%			
Interfund payroll process completed	5	100%	100%			
<b>Whole interfund out process</b>	15	84%	89%	15	49	63
Interfund query	10	25%	75%	0	38	34
<i>Aggregation (in-house aggregations)</i>						
Aggregation	30	78%	87%	1267	428	759
Aggregation query	10	42%	100%	11	9	17

In addition to reporting & reviewing turnaround statistics, we are also looking at ways we can identify the older open cases to look to clear these where possible. As at the end of November there were a total 3,620 open cases, 2,196 of which were overdue equating to 61%. Of these overdue cases, 73% are 'external' meaning we are either waiting on information from the scheme employer or waiting on a decision from the scheme member. The remaining 27% (586 cases) are due to be worked on. Of the 1,424 cases that are not overdue, 80% of these cases are 'external'. The remaining 20% (293 cases) are due to be worked on.

The majority of these cases that are due to be worked on relate to aggregations. We have recently reviewed & increased staffing levels allocated to this area of work as well as reviewing procedures. It is hoped that over the next quarter the number of cases due to be worked on reduces significantly.

## **Projects**

*Data Improvement Plan* – An updated report showing the further errors that need resolved has now been received from Heywood. An updated data improvement plan is being worked on and will be in place early January 2021 for the team to be working on.

*Annual Benefit Statements* – As at 30 November 2020, a total of 93.57% of statements have been issued. Further details regarding this will be covered in the Annual Benefit Statement board report.

*Scheme Changes* – As advised at the October board meeting, in preparation for any remedial action that will be required, we have been communicating to employers the information that we expect they will need to supply. Shortly, we will be putting together a project group in order to commence planning for the remedial action that is likely to come into effect from 2022 including data requirements from the employer, internal procedures, staffing resources & liaising with software providers. We are aware that this is going to be a huge administrative burden.

The Treasury Regulations for the £95k cap came into force on 4 November 2020. An interim procedure has been put in place, following SAB recommendations, until the LGPS Regulations are updated. The consultation on these Regulations is due to close on 9 December 2020. As an interim measure, where a scheme member exceeds the £95k cap we will not pay an unreduced pension as per the LGPS Regulations and instead offer the member a reduced pension or deferred benefit.

## **Background papers**

N/A



## Report to Pension Fund Board

**Date:** 16 December 2020

**Reference number:** N/A

**Title:** Internal Dispute Resolution Procedure

**Author and/or contact officer:** Sam Price, Assistant Pensions Administration Manager

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

### Executive summary

The Local Government Pension Scheme (LGPS) operates a two stage dispute procedure under Regulation 72 to 79 of The Local Government Pension Scheme Regulations 2013.

Within the first stage of this procedure, the complaint will be considered by a person nominated by the body that took the decision that the member wishes to complain against. Each employer is asked to nominate a 'specified person' and any complaints against the employing authority will be directed to them. Where the complaint is against the administering authority, these complaints will be addressed by myself, as the 'specified person'.

If the member is not satisfied with the decision from stage 1, they have not received a decision or an interim letter more than 3 months after the date the initial complaint is lodged or it is more than 1 month from the date they were informed a decision would be made, then a member can progress their complaint to stage 2. At this stage, the administering authority can take a fresh look at the complaint which would be undertaken by a person not involved in the first stage decision. Where the stage 1 complaint was against the employing authority, I will undertake the stage 2 review. Where the stage 1 complaint was against the administering authority, Bucks CC Legal team are responsible for this review.

If members are still unhappy following stage 1 & Stage 2 then they can take the case to the Pensions Ombudsman within 3 years of the original decision.

## Content of report

The table below provides details of IDRP cases during the 2019/2020 year

CASE	DESCRIPTION	EMPLOYING/ ADMIN AUTHORITY	STAGE 1	OUTCOME	PROGRESSED TO STAGE 2	OUTCOME
1	Delayed payment of AVC fund	Admin	August 2019	Declined	N/A	
2	Death benefits	Admin	August 2019	Upheld	N/A	
3	Trivial Commutation	Admin	October 2019	Declined	N/A	
4	Ill Health	Employing	December 2019	Declined	20/21 year	

### Details complaint information

*Case 1* – Scheme member appealed decision by Administering Authority not to award compensation for financial loss due to a delay in payment of AVC fund following retirement. Investigation found that there was a short delay by Scottish Widows in processing payment to the members new annuity provider and the remaining delay was caused by the new provider in setting up the annuity.

*Case 2* – Appeal on behalf of beneficiary of a deceased scheme member regarding payment of a dependant's pension which has been awarded based on payment of a co-habiting partners pension as well. Evidence was provided to support the basis that a co-habiting partners pension was not in fact payable and therefore this benefit ceased. Claim to revaluation of dependant's benefit was upheld.

*Case 3* – Scheme member appealed decision by the Benefit Administration Team to not permit the deferred pension benefit to be trivially commuted to a one-off lump sum. The decision by the team was based on LGPS regulations and the requirements of the Finance Act 2004 which stipulated that a trivial commutation payment can only be made where the total value of all pension pots is less than £30,000. Members total pension pots exceeded £30,000.

*Case 4* – Deferred scheme member appealed decision by former employer not to award an ill health benefit. Appeal was declined. Stage 2 appeal logged in 2020/21 year.

## **Non-formal appeals**

Between 1 April 2019 & 31 March 2020 the team received 15 non-formal complaints. The majority of these complaints relate to where there is a delay in payment of scheme benefits and a Senior Pensions Officer will review and ensure that the administration team have processed where possible. On the whole, these tend to be as a result of missing notifications from the scheme employer in which case the Senior Pensions Officer will escalate this in order to resolve. Another reason for complaints is where a scheme member believes they hold an entitlement to a benefit, such as a refund of contributions or to trivially commute a main scheme benefit/AVC and they do not have this option. In these cases the appeal is again referred to a Senior Pensions Officer to review scheme Regulations or HMRC guidance.

## **Lessons Learned**

We continue to be keen to learn from both IDRPs and non-formal appeals to look at where improvements can be made to internal procedures. Previously it had been identified that the backlog in processing aggregations were causing some member complaints. We have since reviewed our procedure and reduced this backlog and as a result we see very few complaints relating to this area of work. In previous years, the majority of IDRPs have related to ill health. We are working on some guidance for scheme employers to help with the ill health process as a whole, as well as during the IDRP process.

## **Pension Ombudsman cases**

The following case from the December 2019 Board report had been referred to the Pensions Ombudsman last year.

### *Case 5*

*Active scheme member awarded a Tier 3 ill health benefit. This was appealed in November 2018 as member believed a Tier 1 award should apply. Stage 1 appeal reviewed by employer and by a further independent medical practitioner who agreed with initial Tier 3 award. Member appealed under Stage 2, case was reviewed to ensure that employer followed the correct procedures, appeal was declined.*

*This case has been passed by the scheme member to the Pension Ombudsman and is currently being reviewed.*

No decision was made by the Ombudsman as it seems that the employer conducted a further ill health referral and a Tier 2 benefit was awarded.

I am not aware of any further cases that are with the Ombudsman at present.

Background papers

N/A



## Report to Pension Fund Board

**Date:** 16 December 2020

**Title:** Breaches of the Law

**Author and/or contact officer:** Claire Lewis-Smith, Pensions Administration Manager

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

### Executive summary

The Procedure for Reporting Breaches of the Law complies with the requirements of the [Pensions Act 2004](#) and the [Pensions Regulator's Code of Practice](#). The procedure details how individuals responsible for reporting and whistleblowing can identify, assess and report (or record if not reported), a breach of law relating to the Buckinghamshire Pension Fund.

### Content of report

The Breach Log at Appendix 1 to this report was originally presented to the Board on 14 October 2020. The attached provides an update of the position regarding outstanding contributions due to the Fund.

In addition to the updated position on receipt of contributions, a further 11 refunds were paid in Q2 in respect of payments made more than 5 years after the scheme member left. It was also reported that 78.9% of annual benefit statements were issued by the statutory deadline of 31 August, due to a late return from a large employer. Working with this employer and others who had data queries, as prescribed in the Fund's Pension Administration Strategy, has resulted in an increase in the number of statements issued, to 93.57% as at 30 November.

### Other options considered

Not applicable.

## Legal and financial implications

The procedure details how individuals responsible for reporting and whistleblowing can identify, assess and report (or record if not reported) a breach of law relating to the Buckinghamshire Pension Fund. It aims to ensure individuals responsible are able to meet their obligations and avoid placing any reliance on others to report. The procedure also assists in providing an early warning of possible malpractice and reduces risk to the Fund.

## Consultation and communication

Not applicable.

## Next steps and review

Outstanding actions will be completed as detailed in Appendix 1. The Breach Log is reviewed annually.

Record of Breaches – 2020/21

Date	Category  (e.g. administration, contributions, funding, investment, criminal activity)	Description and cause of breach	Possible effect of breach and wider implications	Reaction of relevant parties to breach	Reported / Not reported  (with justification if not reported and dates)	Outcome of report and/or investigations	Outstanding actions
Q1 01/04/2020 - 30/06/2020  *Q2 01/07/2020 - 30/09/2020	Administration	Q1 8 refunds of employee contributions were paid in excess of 5 years since their date of leaving.  Q2 11 refunds of employee contributions were paid in excess of 5 years since their date of leaving	Non-compliance with statutory regulations	None received	Not reported. The LGPS Regulations 2013 stipulate that a refund of contributions must be paid before the expiry of 5 years of the member leaving however, there is little action that can be taken if a member does not	Members are written to after leaving and informed that they have a refund due. They can claim the refund or transfer the value of their fund to another approved pension arrangement. Where an election is not received, a reminder is sent to the member 6 months prior to the 5 year expiry date.	N/A – Green breach

					claim the refund.		
31/08/2020	Administration	100% of annual benefit statements not issued by statutory deadline, 78.90% issued.	Non-compliance with statutory regulations	None received	Reported to the Pensions Regulator on 09/09/2020.	In 2019/20 97.26% of ABS were issued by the deadline. A large Scheme employer submitted an annual return which was found to be of poor quality. The revised return was not received in time to produce ABS for their members. Excluding the employer concerned, 97.42% of were issued.	Amber breach  Work underway to upload the revised annual return and issue outstanding ABS on a week by week basis depending upon the accuracy of data provided by the employer concerned to resolve any queries.
*31/05/2020	Contributions	Employees & employer's contributions not received by the 19 <sup>th</sup> of the month following the month in which they were deducted as follows:				We are more actively chasing late payments in order to ensure we receive contributions in a timely manner.	Amber breach  Going forward we will be reporting monthly to management on the

<b>2019/2020</b>		
<b>Late payments</b>		
1-10 days late	104	
11-30 days late	43	
1-3 months late	23	
4-7 month late	7	
8-11 months late	-	
12+ months late	4	
TOTAL	180	
Value received late = £1,310,338.87		

<b>Outstanding payments</b>		
April	3	
May	3	
June	2	
July	3	
August	5	
September	4	
October	3	
November	2	
December	3	
January	3	
February	3	
March	6	
TOTAL	40	
Value outstanding = £29,971.84		

There is an ongoing exercise to address the contributions not received for the previous years

position of the contributions and highlighting employers paying late in order to be able to charge interest and apply the Pension Administration Strategy if need be.

<b>2020/21</b>	
<b>Late Payments</b>	
1-10 days late	46
11-30 days late	7
1-3 months late	7
4-7 months late	-
8-11 months late	-
12+ months late	4
<b>TOTAL</b>	<b>64</b>
Value received late = £317,774.50	

<b>Outstanding payments</b>	
April	14
May	12
<b>TOTAL</b>	<b>26</b>
Value outstanding = £40,465.31	

<b>Total outstanding payments</b>	
2018/19	£ 42,520.25
2019/20	£ 29,971.84
2020/21	£ 40,465.31
	<b>£112,957.40</b>

\*New breaches since the previous meeting should be highlighted



## Report to Pension Fund Board

**Date:** 16 December 2020

**Title:** Training Opportunities

**Author and/or contact officer:** Claire Lewis-Smith, Pensions Administration Manager

**Recommendation:** The Board is asked to **REVIEW** their training opportunities and **DISCUSS** future training needs.

### Executive summary

Buckinghamshire Pension Board members must have the required knowledge and understanding of LGPS rules, documents recording administration policies and pensions law. They should have adequate training to meet the knowledge and understanding requirements.

### Content of report

Pension Board members are required to undertake adequate training to meet the responsibilities placed upon them by the:

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

Board members are expected to complete The Pensions Regulator's Public Sector Toolkit and visit these periodically. Board members have been offered the following training/knowledge opportunities over the past year.

Training Opportunity	Attendee(s)
CIPFA/Barnett Waddingham Annual Event – June 2020	Bev Black Roona Ellis

	Tina Pearce
CIPFA McCloud Implementation Workshop Seminar – August 2020	Roona Ellis Steve Mason Tina Pearce
In-house Barnett Waddingham Administration and Investment Training - September 2020	Bev Black Roona Ellis Steve Mason Joe McGovern Tina Pearce Ian Thompson Lisa Wheaton
CIPFA/Barnett Waddingham Autumn Board Member's Seminar – October 2020	Pete Dearden
CIPFA Pension Conference – November 2020	

### Legal and financial implications

All training costs are met by the Pension Fund.

### Next steps and review

Training opportunities are reviewed annually.

**Pension Fund Board Forward Plan**

Updated	05-Oct-20
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<b>16/12/2020</b>	<b>Agenda Item</b>	<b>Aylesbury, Walton Street Offices</b>	<b>Cyclical Item?</b>
<b>Teams Meeting</b>		<b>Author</b>	
<b>10:00-12:30</b>	Apologies/Declarations of interest/Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Administration performance statistics	Sam Price	Every meeting
	Internal Dispute Resolution Procedure	Sam Price	Annually
	Breaches of the Law	Claire Lewis-Smith	Ad hoc
	Training Opportunities	Claire Lewis-Smith	Annually
	Forward Plan	Claire Lewis-Smith	Every meeting
	Annual Benefit Statements - Administration Year End Update	Sam Price	Every meeting
	Exclusion of Press and Public		
	Annual Benefit Statements - Confidential Appendix	Sam Price	Ad-hoc
	Confidential Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Pension Fund Performance	Julie Edwards	Every meeting
	Date of next meeting/AOB	--	

<b>March 2021</b>	<b>Agenda Item</b>	<b>Aylesbury, Walton Street Offices</b>	<b>Cyclical Item?</b>
<b>10:00-12:30</b>	Apologies/Declarations of interest/Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Scheme member and employer communications	Madelena da Costa	Annually
	i-Connect/Pensions 'Online' Update	Sam Price	Bi-annually
	Annual Review of Buckinghamshire Pension Board	Claire Lewis-Smith	Annually
	Governance Compliance Statement	Claire Lewis-Smith	Annually
	Administration performance statistics	Sam Price	Every meeting
	GMP reconciliation/rectification	Sam Price	Bi-annually
	Forward Plan	Claire Lewis-Smith	Every meeting
	Annual Benefit Statements - Administration Year End Update	Sam Price	Every meeting
	Exclusion of Press and Public		
	Annual Benefit Statements - Confidential Appendix	Sam Price	Ad-hoc
	Confidential Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Pension Fund Performance	Julie Edwards	Every meeting
	Date of next meeting/AOB	--	

<b>July 2021</b>	<b>Agenda Item</b>	<b>Aylesbury, Walton Street Offices</b>	<b>Cyclical Item?</b>
<b>10:00-12:30</b>	Apologies/Declarations of interest/Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Review of Buckinghamshire Pension Board Policies	Claire Lewis-Smith	Ad hoc
	Pension Fund Annual Report 2020/21	Rachael Martinig	Annually
	Annual Benefit Statements - Administration Year End Update	Sam Price	Every meeting
	Administration performance statistics	Sam Price	Every meeting
	Forward Plan	Claire Lewis-Smith	Every meeting
	Exclusion of Press and Public		
	Confidential Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Pension Fund Performance	Julie Edwards	Every meeting
	Date of next meeting/AOB	--	

<b>October 2021</b>	<b>Agenda Item</b>	<b>Aylesbury, Walton Street Offices</b>	<b>Cyclical Item?</b>
<b>10:00-12:30</b>	Apologies/Declarations of interest/Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	i-Connect/Pensions 'Online' Update	Sam Price	Bi-annually
	Internal Administration Benchmarking	Sam Price	Annually
	Breaches of the Law	Claire Lewis-Smith	Annually
	Risk Register	Julie Edwards	Annually
	GMP reconciliation/rectification	Sam Price	Bi-annually
	Administration performance statistics	Sam Price	Every meeting
	Forward Plan	Claire Lewis-Smith	Every meeting
	Annual Benefit Statements - Administration Year End Update	Sam Price	Every meeting
	Exclusion of Press and Public		
	Annual Benefit Statements - Confidential Appendix	Sam Price	Ad-hoc
	Confidential Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Pension Fund Performance	Julie Edwards	Every meeting
	Date of next meeting/AOB	--	

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## Report to Pension Fund Board

**Date:** 16 December 2020

**Title:** Annual Benefit Statements – Administration Year End Update

**Author and/or contact officer:** Sam Price, Assistant Pensions Administration Manager

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

### Executive summary

Regulation 89 of the Local Government Pension Scheme Regulations 2013 require an administering authority to issue an annual benefit statement no later than 5 months after the end of the Scheme year to which it relates (31 August). The purpose of this report is to inform the Board of the position of the Buckinghamshire Council administering authority as at 30 September 2020.

### Content of report

#### **Annual Benefit Statements**

A total of 18,515 statements were issued by 31 August 2020 deadline with a further 4,379 statements issued by 30 November bringing to total to 22,984. This equates to 93.57% of active membership on 31 March 2020 having now received a statement.

#### **Queries relating to 2019/20 year end return**

There are 922 outstanding queries relating to the 2019/20 year end return. The Employer Liaison Team are currently chasing employers for responses, or reviewing further data provided in order to resolve these queries and issue statements.

## Outstanding queries relating to previous year returns

The table below provides a breakdown of the outstanding queries that relate to previous year end returns. These outstanding tasks have reduced by 46 tasks since 30 September 2020.

	Cases Outstanding
Pre 2016	83
2015/2016	9
2016/2017	0
2017/2018	20
2018/2019	182
<b>TOTAL</b>	<b>297</b>

A breakdown of these cases will be covered in the confidential appendix.

The remaining 297 queries relate to 23 individual employers. An email has now been issued to each of these employers with details of the charges that will be imposed if the required information to resolve these queries is not received by the specified deadline.

### Legal and financial implications

It is a requirement of the LGPS Regulations 2013 that an administering authority issue a scheme member with an annual benefit statement no later than 5 months after the end of the scheme year to which it relates (31 August).

There are no financial implications.

### Next steps and review

Board policies are reviewed annually.

### Background papers

N/A

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