

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD
05 May 2022

PENSION ADMINISTRATION STRATEGY REVIEW

Purpose of the Report

1. The purpose of this report is to update the Board on proposed changes to the Fund's Administration Strategy and to seek any comments or recommendations the Board has before it goes out for employer consultation and then for approval by Committee.

Background

2. Under the Local Government Pension Scheme (LGPS) Regulations 2013, each LGPS Fund in England and Wales is empowered to produce and implement a Pension Administration Strategy, with an accompanying Service Level Agreement, which will apply to all employers in its Fund.
3. The aim of this attached draft strategy is to set out the quality and performance standards expected of all Scheme employers within the Wiltshire Pension Fund (WPF) and of the Fund itself. It seeks to promote good working relationships, improve efficiency and enforce quality between Scheme employers and the Administering Authority. It also provides details on how performance levels will be monitored and the action that might be taken if they fall below the stated expectations.
4. This strategy is updated from its December 2019 version and ensures the governance and administration requirements of the Pension Regulator (tPR) are properly addressed which now fall to the Fund and its employer organisations.

Considerations for the Board

5. The revised Pensions Administration Strategy has been revised in conjunction with other planned key aspects of pensions administration, in particular to ensure:
 - a). All (high volume) targets outlined within the strategy are easily, accurately and efficiently measurable using appropriate reporting software (i.e. Altair Insights), allowing for managers to frequently monitor performance (at least weekly) and report to the Board and Committee on the normal quarterly basis. At a management level, this allows for a timely review of case failures and to determine what future corrective action would be desirable.
 - b). A work allocation system can be implemented which allocates work out in accordance with aiming to meet these turnaround times (replacing the current system).
 - c). The targets reflect the split of cases used within the 'office', making the figures highly relevant and meaningful to processing staff, and the variation of case types.
6. Officers will now report the performance of employers to them using Employer Report Cards on a frequency which is suitable for their size.
7. The following key changes have been made to this Strategy:

a). The revised strategy now states that all employers are required to use i-Connect to submit data to the Fund and that the Fund considers a failure to do so as a form of poor performance. Furthermore, as such, all relevant employers target now only refer to i-Connect submissions.

b). The strategy also outlines that member self-service, wherever possible, is at the centre piece of the Fund's administration strategy and therefore processes which a member could conceivably self-serve, if they wished to do so, are treated as lower priority to those where Fund officers must complete the required work.

c). Employer and Fund targets have been split out into different appendices, a summarised list has been created for employers of higher volume tasks, a tolerable threshold (minimum acceptable KPI level) has been introduced and work has been split into high, medium and low priority levels.

d). Various miscellaneous updates have been made to the escalation policy, to align the strategy to the new Business Plan, the way work is actually managed within the pension administration team and updates to workflows have also been made.

8. Officers have self-assessed the compliance of this Strategy against Regulation 59 of the LGPS Regulations 2013.
9. The current draft of the Pension Administration Strategy will go out to consultation with employers after Fund officers have received any comments from the Local Pension Board. Once feedback from both sets of parties have been received, these will be considered, summarised and pass on to Committee, with the intention of approving the final document in July 2022.
10. The planned implementation date is from 1 August 2022 and will be published on the WPF website and circulated to all Scheme employers and external payroll providers.

Environmental Impact

11. There is no environmental impact from this report.

Financial Considerations

12. There are no direct financial implications involved with the implementation of this Strategy. However, in the longer term this Strategy should lead to more efficient benefits administration operation and the ability to redirect resources for the benefit of scheme members.

Risk Assessment

13. There are no risks identified at this time.

Legal Implications

14. There are no immediate legal implications arising from this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

15. There are no implications at this time.

Proposals

16. The Board is asked to note the proposed, revised Pensions Administration Strategy and outline and comments or recommendations it has.

Jennifer Devine
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