

## **Appendix 3: Employer escalation policy**

### **1. Introduction**

The purpose of this policy is to outline the Fund's approach to resolving data and processing issues with employers.

The Fund wishes to work closely in partnership with all its participating employers to efficiently and effectively administer their employees and former employees' pensions. The Fund also works in a highly legislated, complex environment which means that its data requirements are not always straightforward, yet it is required to process data within certain timeframes to remain compliant with legislation and also to provide high quality customer service to members.

The aspiration of the Fund is always to focus on preventative approaches with employers, such as training and support, to limit the occasions when an escalation of issues is necessary.

### **2. Scope of this policy**

The policy covers the Fund's approach to all data issues outlined within the Pension Administration Strategy.

### **3. Approach**

The Fund will monitor employers' performance against the targets set out within the Pension Administration Strategy and will use the approach outlined in section 4 where the timeframes are breached.

In all cases, the Fund wishes to work closely and support the employer to resolve the issues identified.

**The approach in section 4 is a guide to the approach the Fund will use, and the Fund reserves the right to take an alternative approach where it is necessary and proportionate to do so.**

#### 4. Escalation approaches by process

##### a). i-Connect administration submissions (if relevant)

	Issue identified	
	Return not received by the deadline	Materially incorrect or a poor-quality return is received
i). Monthly i-Connect upload	<p><b>Step 1: <u>7 days prior to deadline</u></b> A reminder email will be sent by the i-Connect system to the appropriate i-Connect employer contact, as identified by the employer.</p> <p><b>Step 2: <u>3 Working days after deadline</u></b> If an i-Connect file has still not been processed then a late reminder email will be sent by the i-Connect system.</p> <p><b>Step 3: <u>8 Working days after deadline</u></b> If no response is received, the matter will be referred to the Employer Relationship Manager who will phone and email the employer contacts, escalating to more senior roles within the employer's structure.</p> <p><b>Step 4: <u>If step 3 does not resolve the matter</u></b> The Head of Pension Administration will write a formal letter to the employer advising the Fund's intention to refer the matter to the Pension Regulator and, if appropriate, apply an additional administrative charge. Timeframes and estimated costs will be set out in this letter.</p>	<p>1.) The Fund's Data &amp; Systems team will highlight any errors or suppressions that have not been resolved prior to processing. They will send an email to the appropriate employer contact, as identified by the employer within 10 working days of submission. Issues must be resolved by the employer prior to the next monthly submission</p> <p>2.) If issues are not resolved by the employer prior to the next monthly submission the matter will be referred to the Employer Relationship Manager who will phone and email the employer contacts, escalating to more senior roles within the employer's structure.</p> <p>3). If errors persist, a formal letter will be written to the employer from the Head of Pension Administration advising the Fund's intention to refer the matter to the Pension Regulator and, if appropriate, apply an additional administrative charge.</p>
ii). Rectifying queries identified by i-Connect.		

**b). Periodic spreadsheet returns for non i-Connect user (as relevant) and other ad hoc requests for bulk data submissions**

	Issue identified	
	Return not received by the deadline	Materially incorrect or a poor-quality return is received
<p><b>i). Monthly administration return (large employers only)</b></p> <p><b>ii). Monthly Contribution Return (all employers)</b></p> <p><b>iii). End of year return (all employers)</b></p> <p><b>iv). Other bulk data requests</b></p>	<p><b>Step 1: <u>2 working days after deadline</u></b> A reminder email will be sent by the Fund’s Data &amp; Systems team to the appropriate employer contact, as identified by the employer.</p> <p><b>Step 2: <u>5 working days after reminder email</u></b> If no response is received a further email will be sent by the Data and Systems Team to the same email address and also to the employer’s Lead pension contact</p> <p><b>Step 3: <u>10 working days after reminder email</u></b> If no response is received, the matter will be referred to the Employer Relationship Manager who will phone and email the employer contacts, escalating to more senior roles within the employer’s structure.</p> <p><b>Step 4: <u>If step 3 fails to resolve the matter</u></b> The Head of Pension Administration will write a formal letter to the employer advising the Fund’s intention to refer the matter to the Pension Regulator and, if appropriate, apply an additional administrative charge. Timeframes and estimated costs will be set out in this letter.</p>	<p>1). The Fund’s Data &amp; Systems team will summarise the areas of concern and email the sending employer these, offer further explanation and support and set out a timeframe for re-submission.</p> <p>2). If problems persist, the team will offer further support and assistance, including if appropriate and practical, a face to face visit.</p> <p>3). If the employer does not engage with the support offered or fails to respond, steps 2 onwards from the adjacent column will apply.</p>

### c). Individual benefit administration cases

Note: For particularly urgent cases, the timeframes outlined below may be condensed.

<b>Issue identified</b>	
<b>Information not received by the deadline or in the stated timeframe</b>	<b>Materially incorrect or poor-quality information is received</b>
<p><b>Step 1:</b> <u>Deadline missed</u> A member of the benefits team will send a reminder email and, if appropriate, a phone call.</p> <p><b>Step 2:</b> <u>5 working days after the reminder in step 1</u> If no response is received, a further email will be sent to the same email address and also to the employer's Lead pension contact.</p> <p><b>Step 3:</b> <u>10 working days later</u> If no response is received, the matter will be referred to the Benefits Manager or Pension Benefits Work Management Officer who will phone and email the employer contacts, escalating to more senior roles within the employer's structure.</p> <p><b>Step 4:</b> <u>If step 3 does not resolve the matter</u> A formal letter will be written to the employer from the Head of Pension Administration advising the Fund's intention to refer the matter to the Pension Regulator or, if appropriate, apply an additional administrative charge.</p>	<p>1). A member of staff will summarise the area of concern and email the appropriate employer contact with these, offer further explanation and support and set out a timeframe for re-submission.</p> <p>2). If problems persist, the team will offer further support and assistance, including if appropriate and practical, a face to face visit.</p> <p>3). If the employer does not engage with the support offered or fails to respond, steps 2 onwards from the adjacent column will apply.</p>

### d). General data and employer engagement issues

Where general data or employer engagement issues arise, normally as highlighted by the Fund analysis of an employer's data submission against the timeframes within this document, the Employer Relationship Manager, or a suitable colleague, will initially offer support and training and seek the engagement of a senior member of the employer concerned. If the approached outlined is unsuccessful, the matter will be raised internally with the Fund and the Fund will take an approach which is proportionate with the issue faced which could be further support or the levy of additional administration charges, as outlined in section 5 below, and reporting to the Pension Regulator.

## **e). Payment of contributions**

### **Step 1: More than one late payment in a 12-month period**

Where a contribution payment, and the appropriate accompanying remittance advice, is received after 22<sup>nd</sup> (or 19<sup>th</sup> if paying by cheque) of the month more than once in any 12-month period, Wiltshire Pension Fund will issue the employer with a written notice of unsatisfactory performance. We will set out standards in our communication and offer support, if applicable we will request attendance at a training/coaching session.

### **Step 2: Attendance at conference call/meeting and agree action plan**

Where no improvement has been demonstrated by the employer, or where there has been a failure to take agreed action by the scheme employer, or no response is received to the initial letter, the scheme employer will be asked to attend a conference call/meeting with representatives of the Fund to discuss area(s) of non-compliance with performance standards and to agree an action plan to address them.

Where appropriate, the originating employer will be informed and expected to work with the Fund to resolve the issues.

### **Step 3: Formal written notice**

If no improvement is seen within one month or a scheme employer is unwilling to attend a meeting to resolve the issue, the Fund will issue a formal written notice, setting out – the area(s) of non-compliance with performance standards that have been identified and the steps taken to resolve those area(s)

### **Step 4: Notify members and contact the Pension Regulator**

If the employer fails to comply with their scheme administrative duties after the steps above have been implemented, Wiltshire Pension Fund reserves the right to notify the member(s) involved and to notify all members employed by the employer in the event of serious or persistent failure. Alternatively, or in addition, the Fund is also likely to classify such as failure as being of material interest to the Pension Regulator and hence would be required to record it as a breach.

## **5). Administrative charges**

In conjunction with the Fund's charging policy, where the Fund considers that it has incurred additional costs (including officer's time) as a result of an employer's poor level of administrative performance, Regulation 22 of the Local Government Pension Scheme Regulations 2013 allows the Fund to recover these costs.

The Fund very much considers this approach a last resort which it will only use if it feels it has exhausted all other reasonable means of improving the employer's performance.

Where such a situation arises, the Fund will apply a charge based on a double of the hourly rate of staff involved multiplied by the estimated number of hours involved. The Fund will raise an invoice for such a charge and provide a breakdown of the charge and send it to the employer accordingly.

Note i: Where orders or instructions issued by The Pensions Regulator, the Pensions Ombudsman or other regulatory body require financial compensation or a fine to be paid by Wiltshire Pension Fund, or by any officer responsible for it, and it is due to the default, omission or otherwise negligent act of the employer, the sum concerned will be recharged to the employer.

Note ii: In addition, where the Fund incurs costs related to the stage 1 review of the Internal Dispute Resolution Procedure (IDRP) which are due to an employer's action or lack of action, these costs will be charged to the employer. Similarly, the employer will pay for all costs where the IDRP is aimed solely at the employer and the costs will be apportioned between employer and Fund where the IDRP is targeted at both the Fund and employer.