

WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND COMMITTEE
28 July 2022

PENSION ADMINISTRATION STRATEGY REVIEW

Purpose of the Report

1. The purpose of this report is to present proposed changes to the Fund's Administration Strategy to the Committee and seek approval.

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 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 Committee

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). A new system is currently being tested.
 - 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 begin to 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. A draft of this strategy was presented to the Local Pension Board in May. Some feedback was received and some minor changes to the Strategy were made as a result.
10. The current draft of the Pension Administration Strategy has also already gone out to consultation with employers over email and was presented to the Employer Strategic Focus Group. No responses were received to the email and the Focus Group just resulted in some questions of clarity rather than any requests or suggestions for changes to the strategy.
11. 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

12. There is no environmental impact from this report.

Financial Considerations

13. 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

14. There are no risks identified at this time.

Legal Implications

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

Safeguarding Considerations/Public Health Implications/Equalities Impact

16. There are no implications at this time.

Proposals

17. The Committee is asked to approve the revised Pensions Administration Strategy.

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