

Report Title:	<b>Administration Report</b>
Contains Confidential or Exempt Information	No - Part I
Lead Member:	Councillor Simon Bond, Chairman Pension Fund Committee and Advisory Panel
Meeting and Date:	Pension Fund Committee and Advisory Panel – 19 June 2023
Responsible Officer(s):	Damien Pantling, Head of Pension Fund
Wards affected:	None

## **REPORT SUMMARY**

This report deals with the administration of the Pension Fund for the period 1 January 2023 to 31 March 2023. It recommends that Pension Fund Committee Members (and Pension Board representatives) note the Key Administrative Indicators throughout the attached report.

Good governance requires all aspects of the Pension Fund to be reviewed by the Administering Authority on a regular basis. There are no financial implications for RBWM in this report.

The Committee are asked to note that Administration Reports are provided to each quarter end date (30 June, 30 September, 31 December and 31 March) and presented at each Committee meeting subsequent to those dates.

### **1. DETAILS OF RECOMMENDATION(S)**

**RECOMMENDATION:** That the Pension Fund Committee notes the report;

- i) Notes all areas of governance and administration as reported;**
- ii) Notes all key performance indicators; and**
- iii) Approves publication of the quarterly Administration report on the Pension Fund website.**

### **2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED**

- 2.1. The Royal County of Berkshire Pension Fund Committee has a duty in securing compliance with all governance and administration issues.**

### **3. KEY IMPLICATIONS**

- 3.1. Failure to fulfil the role and purpose of the Administering Authority could lead to the Pension Fund and the Administering Authority being open to challenge and intervention by the Pensions Regulator.

### **4. FINANCIAL DETAILS / VALUE FOR MONEY**

- 4.1. No direct financial implications arising from this report.

### **5. LEGAL IMPLICATIONS**

- 5.1. None.

### **6. RISK MANAGEMENT**

- 6.1. The Pension Fund Committee review and approve a risk register on a quarterly basis, prepared in line with CIPFA's guidance on "managing risks in the LGPS – 2018". The latest risk register (including relevant actions and mitigations) has been prepared alongside the amendments within these revised policies, with any relevant changes considered and documented as appropriate in the quarterly review of the risk management report.

### **7. POTENTIAL IMPACTS**

- 7.1. Failure to comply with pension legislation could result in the Administering Authority being reported to the Pensions Regulator where failure is deemed to be of a material significance.
- 7.2. Equalities. An Equality Impact Assessment has been completed for this report. The Equality Act 2010 places a statutory duty on the council to ensure that when considering any new or reviewed strategy, policy, plan, project, service, or procedure the impacts on particular groups, including those within the workforce and customer/public groups, have been considered. There are no EQIA impacts as a result of taking this decision. Equality Impact Assessments are published on the [council's website](#)
- 7.3. Climate change/sustainability: N/A
- 7.4. Data Protection/GDPR. GDPR compliance is included as a specific risk on the register in regard to processing and handling personal data, this is dealt with in the appendix along with the relevant mitigations.

### **8. CONSULTATION**

- 8.1. The Pension Board were consulted in detail through the approval of this report.

## 9. TIMETABLE FOR IMPLEMENTATION

9.1. The Local Pension Board was consulted on the contents of this report

## 10. APPENDICES

10.1. This report is supported by 1 appendix:

- Appendix 1: Administration Report 1 January 2023 to 31 March 2023

## 11. BACKGROUND DOCUMENTS

11.1. This report is supported by 0 background documents.

## 12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
<i>Mandatory:</i>		<i>Statutory Officers (or deputy)</i>	
Andrew Vallance	Head of Finance (Interim S151 Officer)	05/06/2023	
Emma Duncan	Head of Law and Governance (Interim monitoring officer)	05/06/2023	
<i>Deputies:</i>			
Jane Cryer	Principal Lawyer (Litigation) and Deputy Monitoring Officer	05/06/2023	
TBC			
<i>Other consultees:</i>			
Cllr Simon Bond	Chairman – Berkshire Pension Fund Committee	02/06/2023	
Alan Cross	Chairman – Local Pension Board	02/06/2023	

## 13. REPORT HISTORY

Decision type:	Urgency item?	To follow item?
Pension Fund Committee decision	Yes/No	Yes/No

Report Author: Damien Pantling, Head of Pension Fund, 01628 796701





THE ROYAL COUNTY OF  
**BERKSHIRE**  
PENSION FUND

**ADMINISTRATION REPORT**

**QUARTER 1 – 2023 (Q4 2022/23)**

**1 January 2023 to 31 March 2023**

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## 1. ADMINISTRATION

### 1.1. Scheme Membership

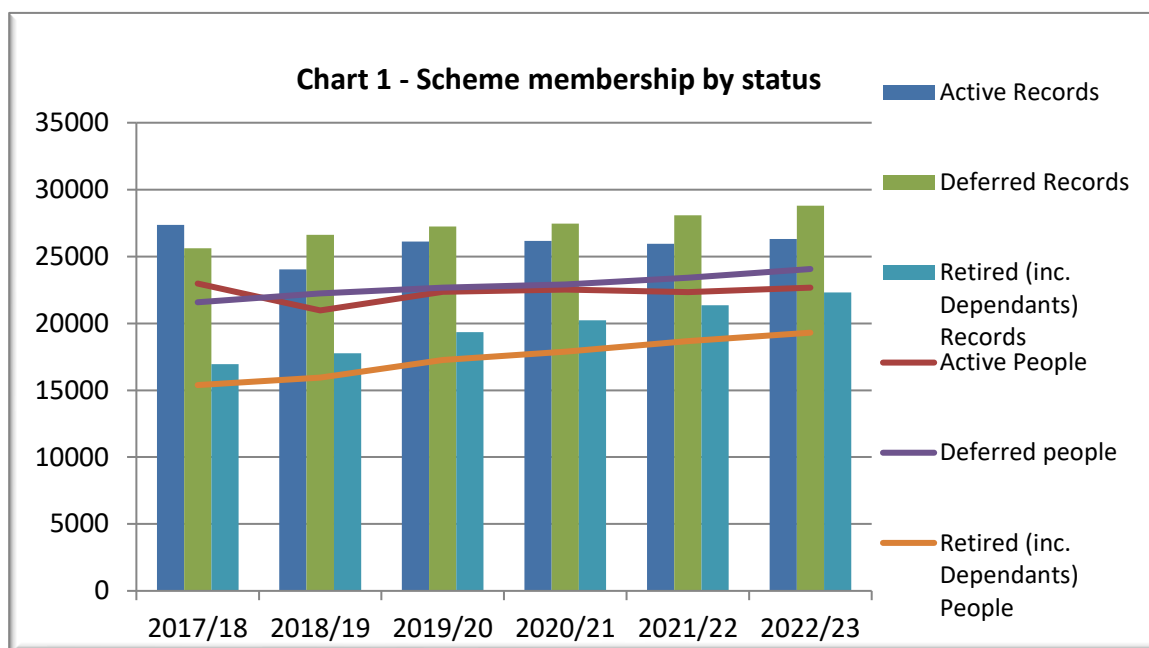


Table 1 – Total Membership at 31 March 2023

Active Records	26,315	Active People	22,677
Deferred Records	28,794	Deferred People	24,062
Retired Records	22,316	Retired People	19,303
<b>TOTAL</b>	<b>77,425*</b>	<b>TOTAL</b>	<b>66,042</b>

\*Draft core costs of administering the scheme in 2022/23 (includes just staff, plus direct administration supplies & services) were **£1.906m**. Total cost of administration per membership record is **£24.6**. This significantly below both the London average of c£50 and the English pension fund average of c£30

### 1.2. Membership by Employer

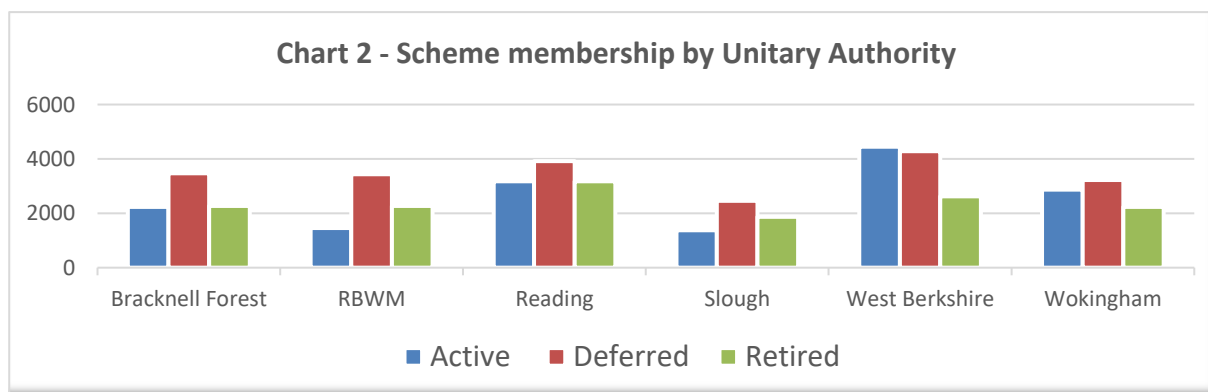
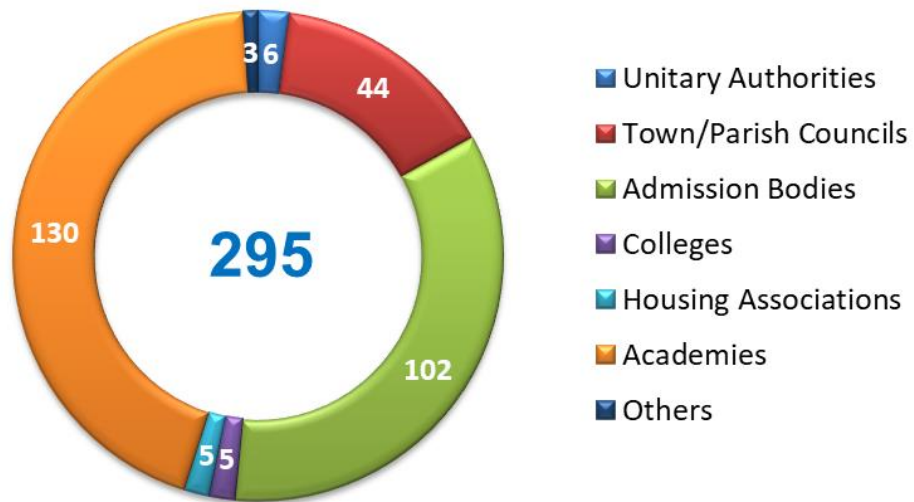


Table 2 - Membership movements in this Quarter (and previous Quarter)

	Bracknell	RBWM	Reading	Slough	W Berks	Wokingham
Active	-2	-7	-104	+7	+34	+9
	-56	-21	+53	+31	-90	+15
Deferred	+37	-11	+33	-6	+19	+20
	-2	-13	+15	-16	+67	+19
Retired	+16	+20	+43	+22	+48	+41
	+19	+20	+33	+12	+29	+25

### 1.3. Scheme Employers

Chart 3 - Employers with active members



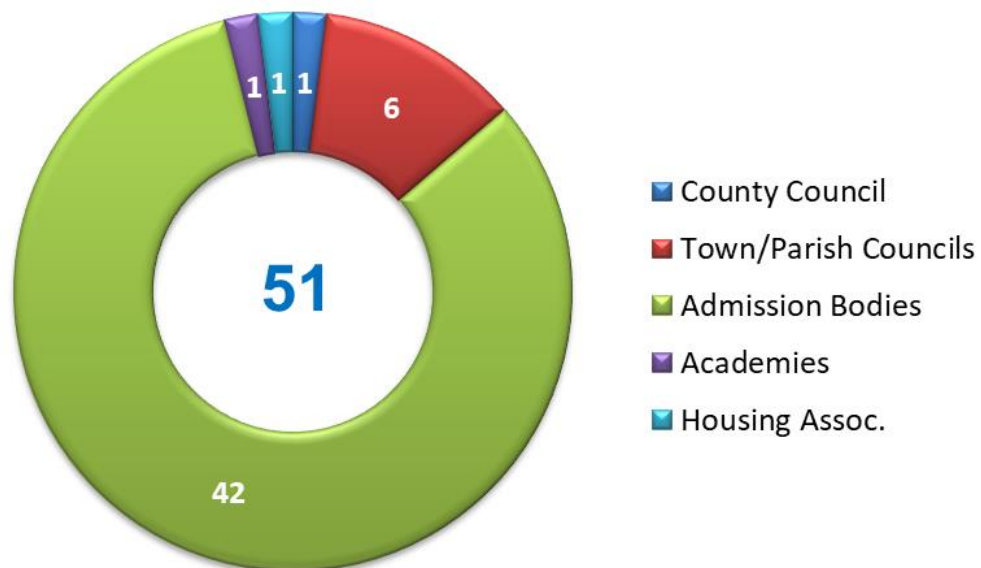
New employers since last report:

**Admission Bodies:** Compass Contract Services (Churchend Academy Trust) ABM Catering Services (Windsor Learning Partnership); Contract Services Limited (Thames Learning Trust).

**Academies:** None

**Scheduled bodies:** East Ilsley PC; Aldworth PC

Chart 4 - Employers without active members



**Exiting employers:** None

There are 346 scheme employers in total, of which 295 have active contributors and 51 do not have active



contributors. Please note that the figures reported above are at academy level rather than at multi-academy trusts level, the latter being the level they appear on the Fund's administration system. For the purposes of the 2022/23 annual accounts, 186 active/contributing employers are disclosed, the figure in the annual accounts groups academies into multi-academy trusts as this information derived from contributions records (academies typically pay contributions together within a multi-academy trust)

#### 1.4. Scheme Employer Key Performance Indicators

Table 3 – i-Connect users Quarter 4 (1 January 2023 to 31 March 2023)

Employer	Starters	Leavers	Changes	Total	Submission Received Within Specification
<b>Bracknell Forest Council</b>	196	103	246	545	100%
<b>RBWM</b>	111	62	127	300	100%
<b>Reading BC</b>	219	110	290	619	100%
<b>Slough BC</b>	107	48	119	274	100%
<b>West Berks Council</b>	443	258	524	545	100%
<b>Wokingham BC</b>	111	68	187	366	100%
<b>Academy/ School</b>	728	875	1299	2902	79.55%
<b>Others</b>	91	73	295	459	100%

**NOTES:** Table 1A above shows all transactions through i-Connect Software for the fourth quarter of 2023. Changes include hours/weeks updates, address amendments and basic details updates.

The benefits of i-Connect are:

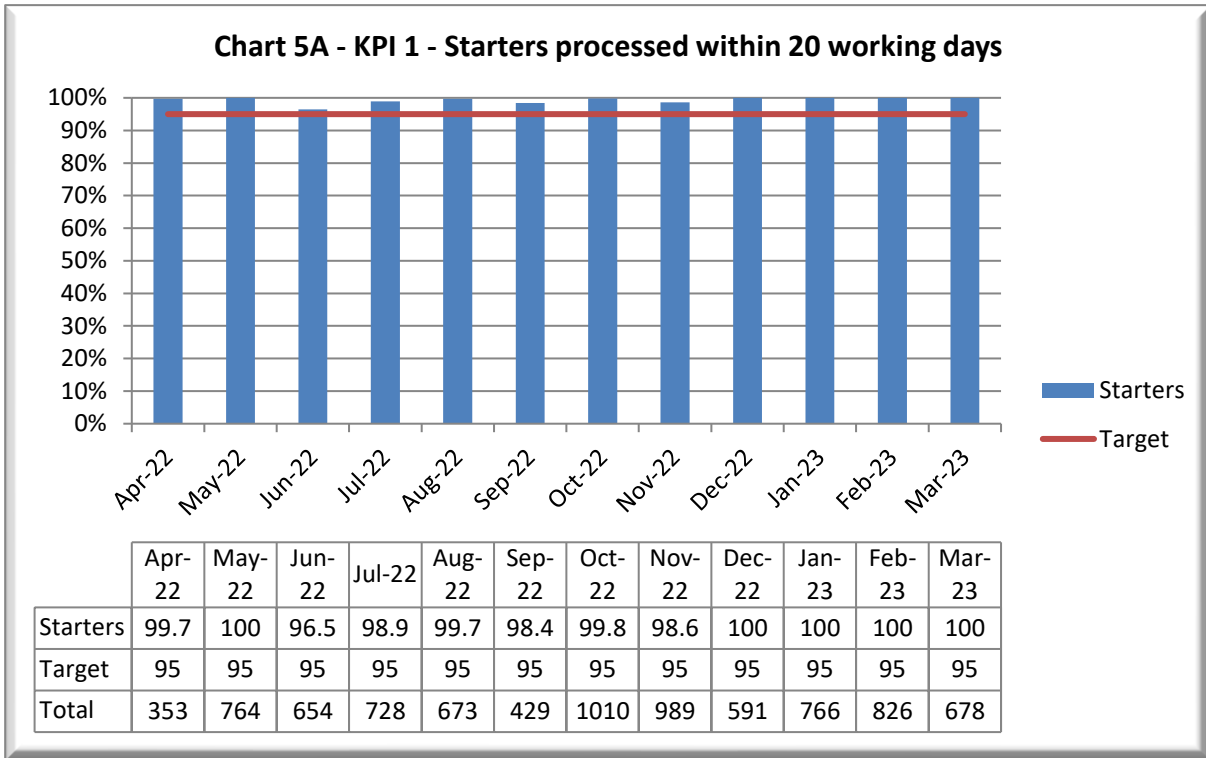
- Pension records are maintained in 'real-time';
- Scheme members are presented with the most up to date and accurate information through "my pension ONLINE" (Member self-service);
- Pension administration data matches employer payroll data;
- Discrepancies are dealt with as they arise each month;
- Employers are not required to complete year end returns;
- Manual completion of forms and input of data onto systems is eradicated removing the risk of human error.

Since 1 January 2023, no further scheme employers have on board i-connect Software. Officers continue to work closely with Denefield School, The Pioneer Educational Trust and The Slough & East Berkshire MAT which represents circa 420 scheme member records endeavouring to on board.

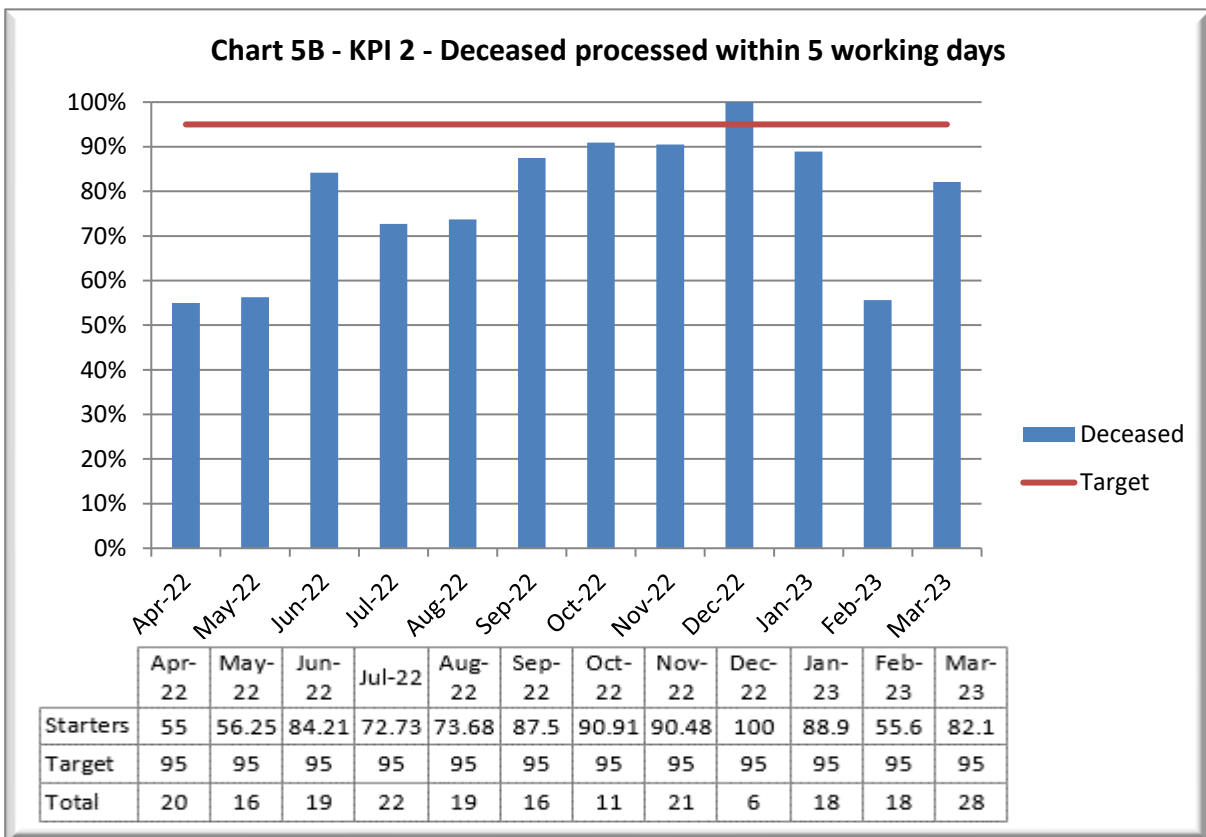
Overall, 135 scheme employers are yet to on board i-Connect Software which represents circa. 2,200 scheme member records (8.50% of total Active Scheme members).

The Pension Fund remains committed to continuing to work with these scheme employers to help them to onboard, where it is possible for them to do so. Scheme employers with fewer than 10 scheme members (81 employers) have the option of using an on-line portal version of i-Connect Software rather than submitting via ".csv".

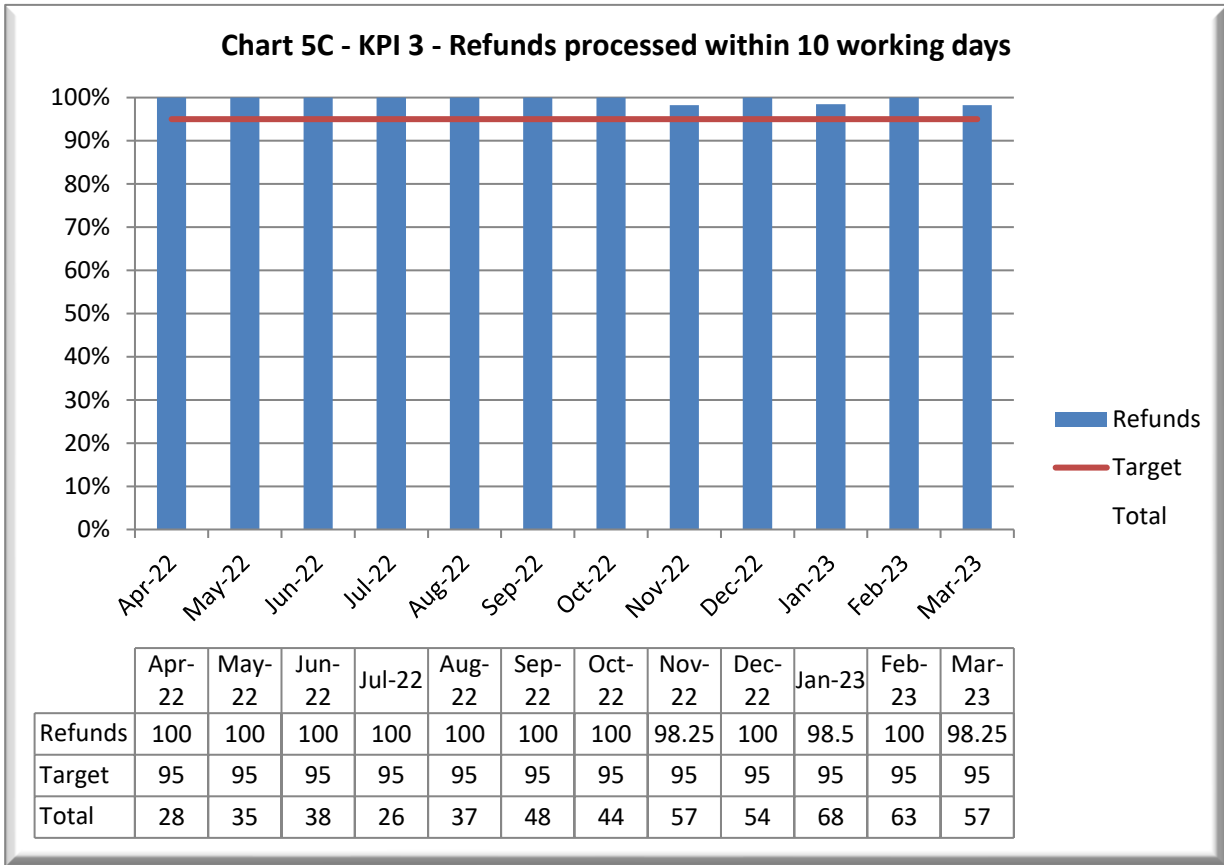
### 1.5. Key Performance Indicators



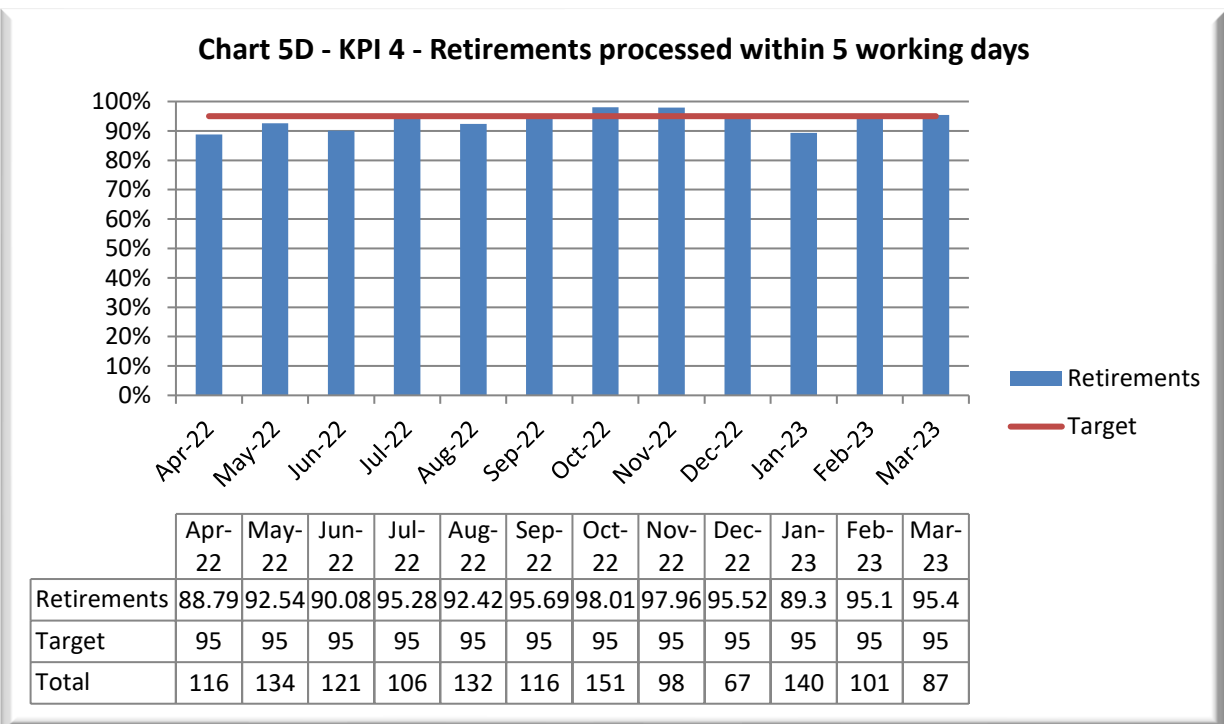
**CIPFA Benchmark:** Two months from date of joining the scheme or if earlier within one month of receiving jobholder information.



**CIPFA Benchmark:** As soon as practicable and no more than two months from date of notification of death from scheme employer or deceased’s representative.



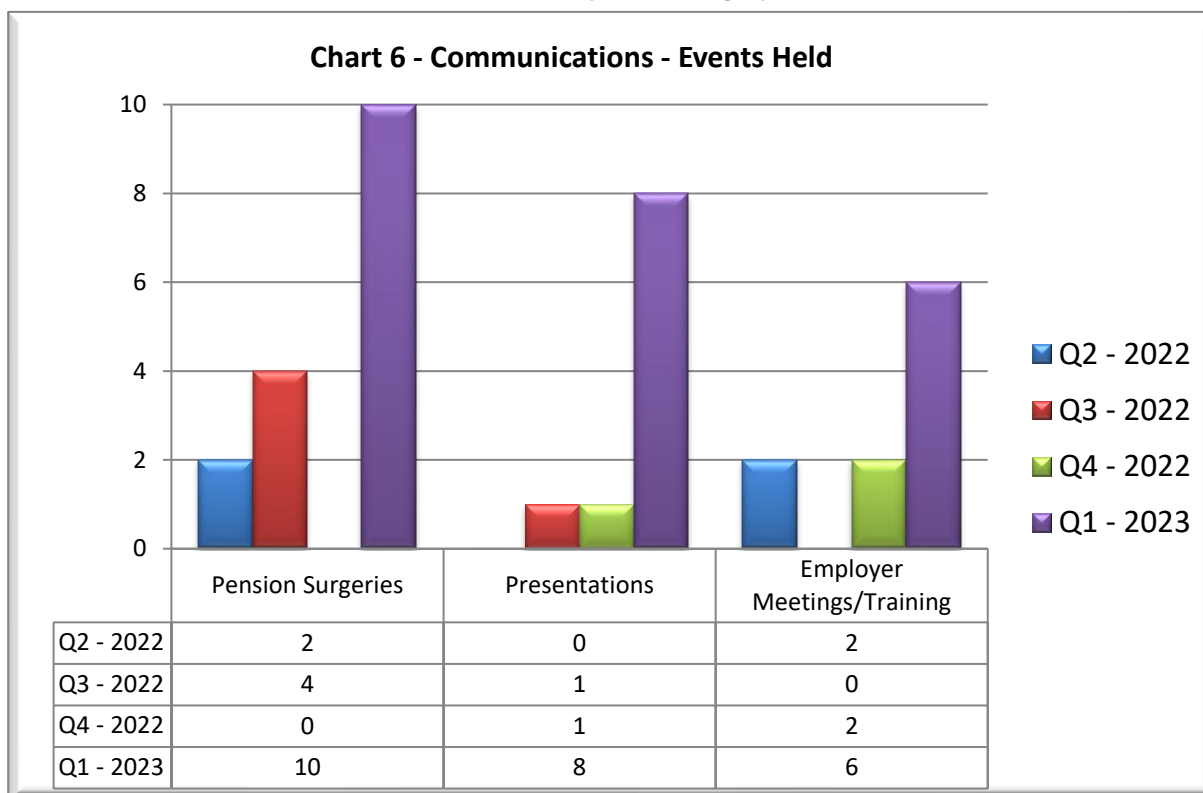
**CIPFA Benchmark:** No more than two months from date of receiving the scheme members signed declaration requesting to receive a refund of employee pension contributions.



**CIPFA Benchmark:** One month from date of retirement if on or after normal pension age or two months from date of retirement if before normal pension age.

## 1.6. Communications

Events shown have been held remotely, including hybrid.



## 1.7. Stakeholder Feedback

As part of the Pension Fund's aim to achieve Pension Administration Standards Association (PASA) accreditation it is a requirement to report to Members the comments and complaints received from scheme employers and their scheme members on a periodic basis. Please see below feedback received from stakeholders during the fourth quarter:

Date Received	Method	Feedback
16/01/2023	Email	I must say the team at Berkshire are so much more organised and knowledgeable than [NAME] Pension Fund. Thank you for your extraordinary patience today.
18/01/2023	E-mail	[NAME] Pension Fund gave scheme member merge options (but did not include Annual Pension or Lump Sum Retirement Grant values). Scheme member did not respond to [NAME] Pension Fund by deadline and therefore auto aggregation occurred. [NAME] Pension Fund requested Berkshire Pension Fund accept repayment of the transfer paid under auto aggregation as the scheme member raised complaint that because of the auto aggregation their benefits reduced in value. The Berkshire Pension Fund acted in accordance with the LGPS

		Regulation and therefore responded confirming they will not accept return.
01/03/2023	E-mail	[NAME] Pension Fund gave aggregation options to scheme member and they called Berkshire Pension Fund to speak about it. They said we are always very helpful and [NAME] Pension Fund are a terrible Pension Fund as they can never talk to anybody, he wanted me to pass on to your manager how good you are.
23/03/2023	E-mail	Thank you very much for the information you gave me over the phone today and for the link you sent me below which was very helpful. I would be grateful if you could pass my email on to your manager as I was very impressed by your professional responses to my questions whilst also being very personable. When I saw from your email that you are a trainee, I was even more impressed by your knowledge. As I explained to you, I have been trying to get through to HMRC with a couple of questions about my state pension and, although waiting on the phone for ages each time, in the end gave up! Whereas you answered immediately and was able to resolve all my queries efficiently. Thank you.
27/03/2023	E-mail	You have been absolutely brilliant, thank you so much for answering all my questions about my retirement option forms and other related things such as saving bank accounts and state pension etc and being mindful of my situation for the last few years which is much appreciated.
28/03/2023	E-mail	I just wanted to thank you for your handling of the pension received by my late wife, [NAME], and the subsequent survivors pension award to myself. Documentation was dealt with both speedily and efficiently. Your timely correspondence kept me aware of progress and payments proceeded seamlessly. After 43 years of marriage [NAME]'s death hit me hard, your actions for Berkshire Pension Fund gave me one less thing to worry about. I have had to notify a number of financial institutions and public bodies of [NAME]'s death, believe me Berkshire Pension Fund stands out as a beacon of efficiency. My wife a former RAF Air Traffic

		Controller of 23 years before retraining and working as a principal accountant, would have strongly approved. Thank you.
29/03/2023	E-mail	I would like to thank you and [NAME] for the service provided upon my retirement. In fact any dealings I have had with yourselves have been so easy. Letters received are easy to understand and arrive in a timely manner. It's so nice to be able to pick up a phone and talk to a person directly. Keep up the good work!
31/03/2023	E-mail	Thank you so much for such a swift response to my enquiry. Your time and patience in clarifying the situation with regard to monthly statements is greatly appreciated.

## 2. SPECIAL PROJECTS

### 2.1. McCloud Judgement

In 2014 the Government introduced reforms to public service pensions, meaning most public sector workers were moved into new pension schemes in 2014 and 2015.

In December 2018, the Court of Appeal ruled that the 'transitional protection' offered to some members of the judges' and firefighters' pension schemes, as part of the reforms, gave rise to unlawful discrimination.

On 15 July 2019 the Chief Secretary to the Treasury made a written ministerial statement confirming that, as 'transitional protection' was offered to members of all the main public service pension schemes, the difference in treatment will need to be removed across all those schemes for members with relevant service.

The changes to the LGPS include transitional protection for members who were within 10 years of their Final Salary Scheme normal pension age on 1 April 2012, ensuring that they would receive a pension that was at least as high as they would have received had the scheme not been reformed to a Career Average Revalued Earnings scheme from 1 April 2014.

Officers understand the Department for Levelling Up, Housing and Communities (DLUHC) is to consult on further regulations governing the application of the McCloud remedy to the LGPS.

The DLUHC has confirmed to the Local Government Pension Committee (LGPC), in a recent update, that work continues on the steps to rectify the discrimination as it affects the LGPS in England and Wales, with the government planning to publish its response to the 2020 consultation on amendments to the statutory underpin later this year, after which the LGPS Scheme Advisory Board will resume its McCloud implementation groups.

An updated version of the draft regulations implementing the remedy will be published alongside the consultation response, covering new powers relating to the statutory underpin. However, a further consultation will take place in 2023 to ensure the updated draft regulations are accurate in light of the changes made.

The government will also consult on other aspects of the McCloud remedy which did not feature in our original consultation, such as compensation and rates of interest.

These new regulations are expected to come into force in October 2023, while a consultation will also take place covering new statutory guidance on McCloud implementation.

## ***2.2. Pensions Dashboard Programme***

A national pensions dashboard has been on the horizon for some time, but now the Pension Schemes Act 2021 has received Royal Assent it is anticipated the Department for Work and Pensions (DWP) will begin to consult on detailed dashboards regulations and work with regulators to begin supporting both private and public sector pension providers and pension schemes to comply with their dashboards compulsion duties. It is anticipated the Pensions Dashboards Programme (PDP) will publish further detailed instructions on how a scheme administrator must operate with the dashboards ecosystem.

The DWP announced on 2 March 2023 a significant delay to the Pensions Dashboards Programme. The statement released explained that the Pensions Dashboards Programme will be unable to meet the connection deadlines set out in legislation, and the timeline will need to be revised. The framework for dashboards will remain unchanged, but DWP will now legislate to provide new deadlines. It is anticipated public sector pension scheme administrators will now begin onboarding during quarter four of 2025 rather than 2024.

Officers recognise it is important not to wait. Almost every aspect of administering a pension scheme is easier to achieve if data is actively managed and incorporates both Common and Scheme Specific data activities, an area officers have successfully improved over the last three years. Officers acknowledge Pensions Dashboards, if done well, could be a game changer in getting individuals to better engage with their pensions and a better efficiency of pension scheme management.