

Report Title:	<b>Administration Report</b>
Contains Confidential or Exempt Information?	YES - Part I
Member reporting:	Councillor Sharpe, Chairman Berkshire Pension Fund and Pension Fund Advisory Panels
Meeting and Date:	Berkshire Pension Fund and Pension Fund Advisory Panels – 23 March 2020
Responsible Officer(s):	Kevin Taylor, Pension Services Manager, Philip Boyton, Pension Administration Manager
Wards affected:	None

## REPORT SUMMARY

1. This report deals with the administration of the Pension Fund for the period 1 October 2019 to 31 December 2019
2. It recommends that Members (and Pension Board representatives) note the Key Administrative Indicators throughout the attached report.
3. Good governance requires all aspects of the Pension Fund to be reviewed by the Administering Authority on a regular basis
4. There are no financial implications for RBWM in this report

### 1. DETAILS OF RECOMMENDATION(S)

**RECOMMENDATION:** That Panel notes the report and:

- **All areas of governance and administration as reported**
- **All key performance indicators**

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

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

The Pension Panels have a duty in securing compliance with all governance and administration issues.

### 3. KEY IMPLICATIONS

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

Not applicable.

**5. LEGAL IMPLICATIONS**

None.

**6. RISK MANAGEMENT**

None.

**7. POTENTIAL IMPACTS**

None.

**8. CONSULTATION**

Not applicable.

**9. TIMETABLE FOR IMPLEMENTATION**

Not applicable.

**10. APPENDICES**

None.

**11. BACKGROUND DOCUMENTS**

None.

**12. CONSULTATION (MANDATORY)**

<b>Name of consultee</b>	<b>Post held</b>	<b>Date issued for comment</b>	<b>Date returned with comments</b>
Cllr. Julian Sharpe	Chairman – Berkshire Pension Fund Panel		
Adele Taylor	Director of Resources and s151 Officer		



THE ROYAL COUNTY OF  
**BERKSHIRE**  
PENSION FUND

**ADMINISTRATION REPORT**

**QUARTER 3 – 2019/20**

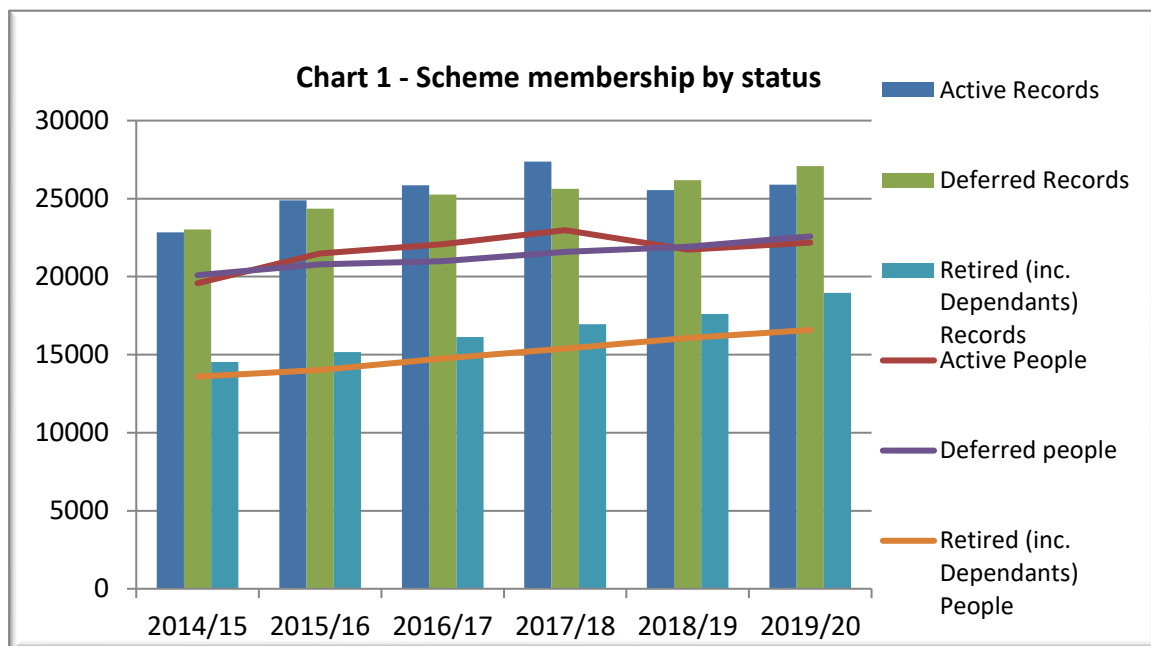
**1 October 2019 to 31 December 2019**

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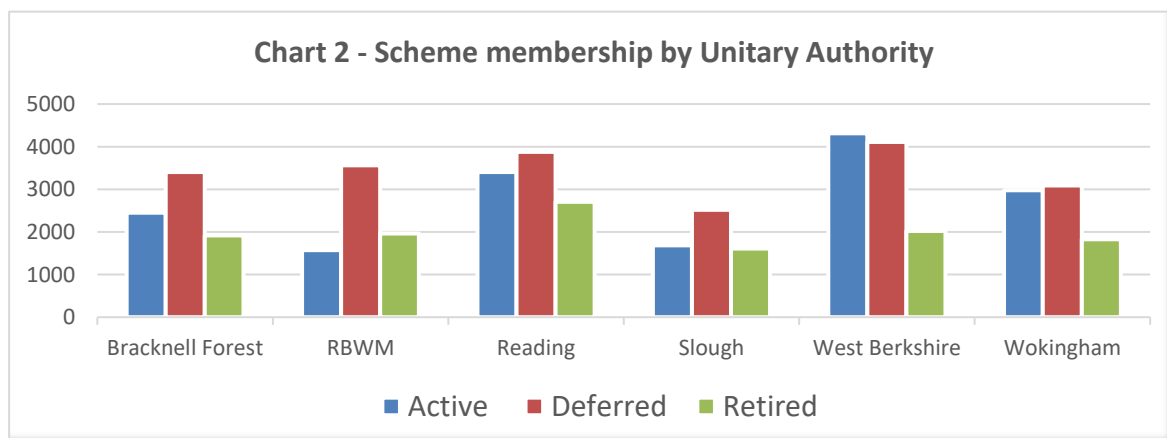
# 1. ADMINISTRATION

## 1.1 Scheme Membership



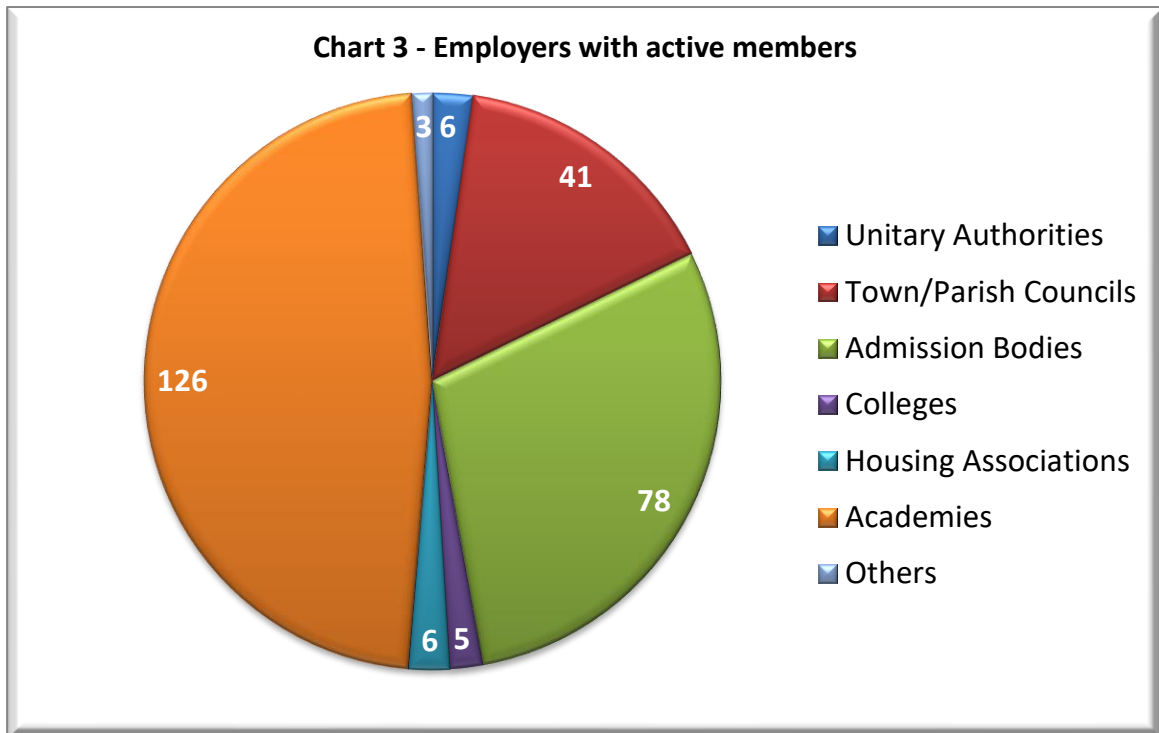
TOTAL MEMBERSHIP			
Active Records	25,887	Active People	22,183
Deferred Records	27,085	Deferred People	22,580
Retired Records	18,972	Retired People	16,583
<b>TOTAL</b>	<b>71,944</b>	<b>TOTAL</b>	<b>61,346</b>

## 1.2 Membership by Employer



Membership movements in this Quarter (and previous Quarter)						
	Bracknell	RBWM	Reading	Slough	W Berks	Wokingham
Active	<b>+67</b> +45	<b>+4</b> -6	<b>+51</b> +103	<b>+146</b> -97	<b>+434</b> -5	<b>+175</b> +29
Deferred	<b>-1</b> +3	<b>-41</b> -3	<b>-14</b> +91	<b>-19</b> -26	<b>+1</b> -2	<b>-8</b> +4
Retired	<b>+9</b> +38	<b>+33</b> +39	<b>+31</b> +21	<b>+27</b> +24	<b>+24</b> +29	<b>+20</b> +23

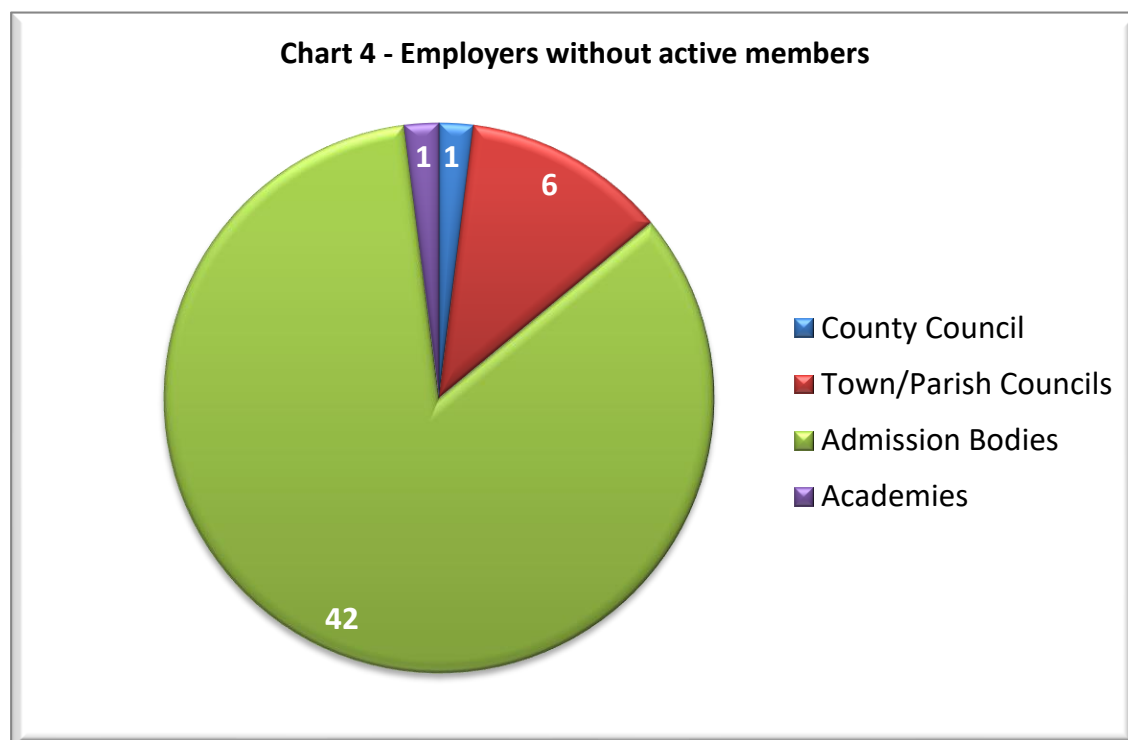
1.3 Scheme Employers



New employers since last report:

**Admission Bodies:** Hayward Services (Prospect), Tyr Abad, Solutions4Health

**Academies:** None



**Exiting employers:** None

## 1.4 Scheme Employer Key Performance Indicators

Table 1A – i-Connect users Quarter 3 (1 October 2019 to 31 December 2019)					
Employer	Starters	Leavers	Changes	Total	Achieved
Bracknell Forest Cncl	127	112	160	399	98.64%
RBWM	166	98	161	425	99.32%
Reading BC	303	257	499	1059	99.33%
Slough BC	139	92	189	420	93.46%
West Berks Council	346	193	471	1010	98.95%
Wokingham BC	123	54	99	276	99.67%
Academy/ School	287	183	1993	2463	91.86%
Others	95	55	339	489	94.16%
<b>Totals</b>	<b>1586</b>	<b>1044</b>	<b>3911</b>	<b>6541</b>	<b>96.92%</b>

**NOTES:** Table 1A above shows all transactions through i-Connect for the third quarter of 2019/20. 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 *mypension* 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.

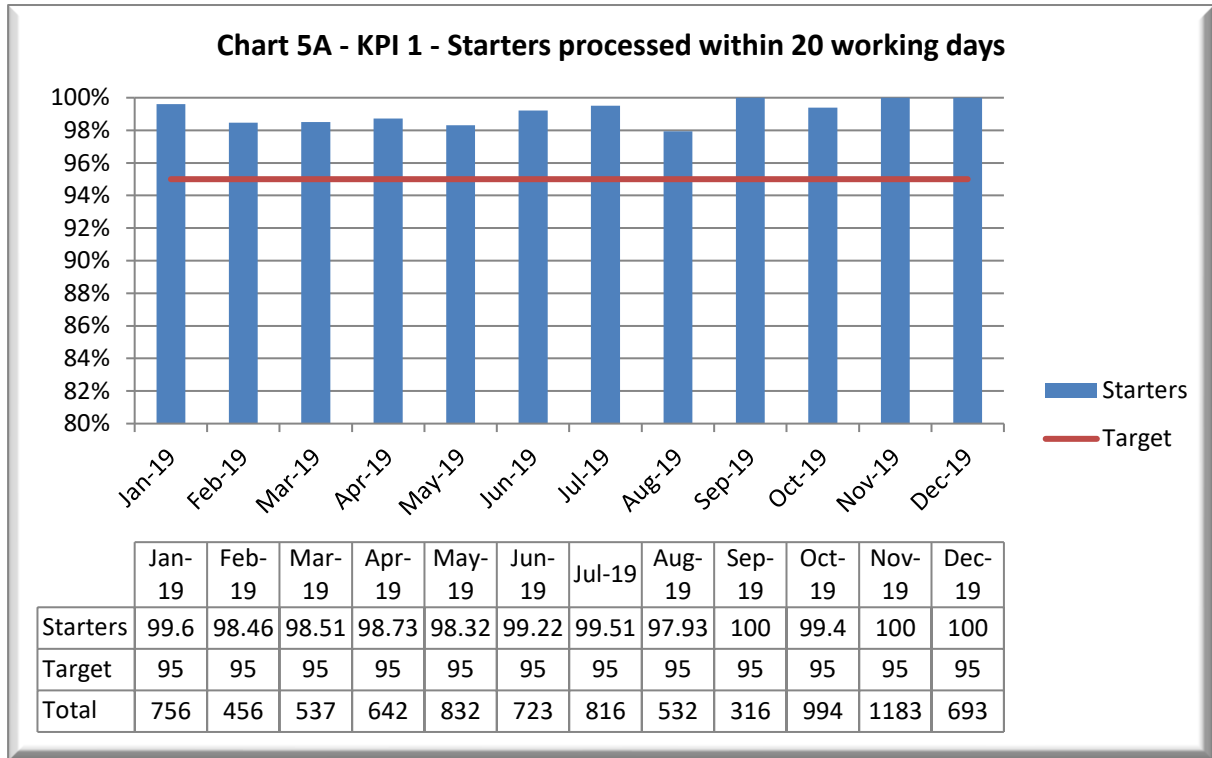
Of the remaining 179 scheme employers, 57 will be uploaded by 31 March 2020 with the remaining 122 by 31 March 2021.

All scheme employers with 50 or more scheme members will be using i-Connect by the end of the 2019/20 financial year.

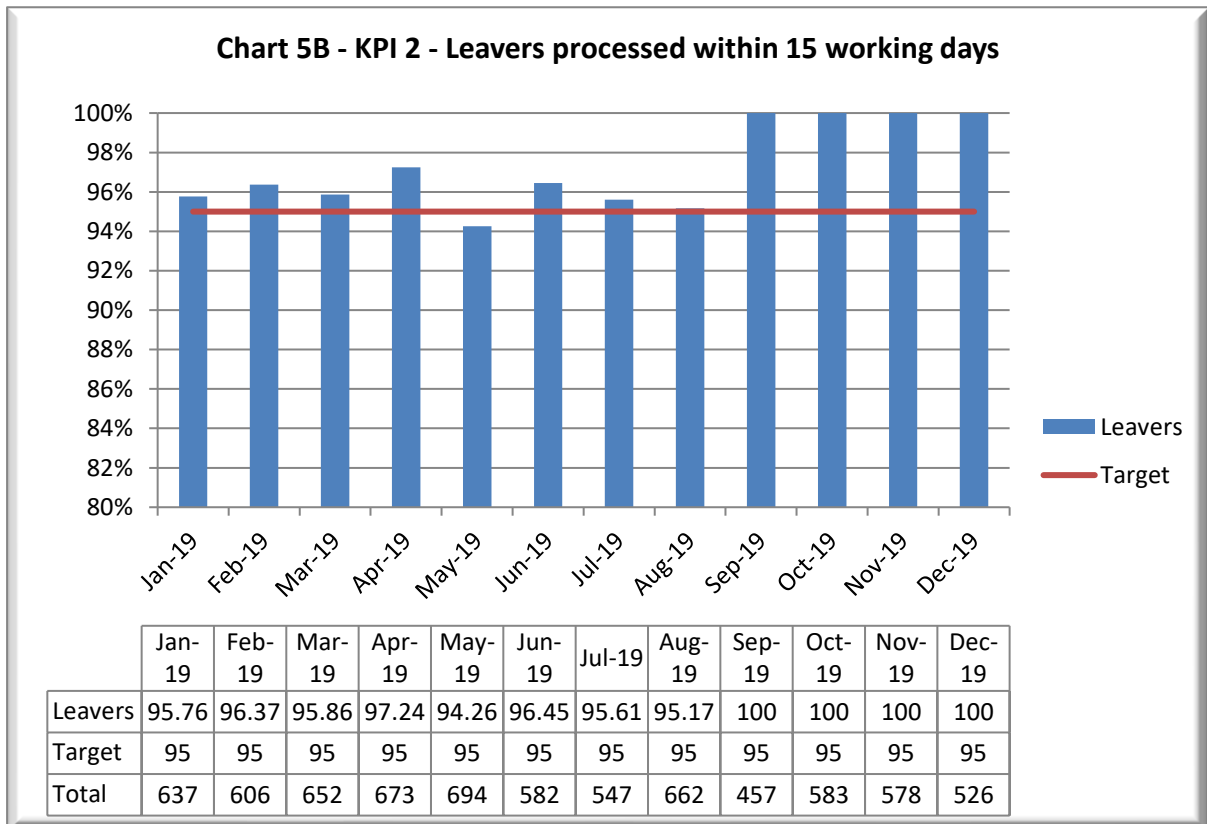
All scheme employers with fewer than 50 and but more than 10 scheme members will using i-Connect by the end of the 2020/21 financial year

Scheme employers with fewer than 10 scheme members will be given the option of using an on-line portal version of i-Connect by 31 March 2021.

1.5 Key Performance Indicators



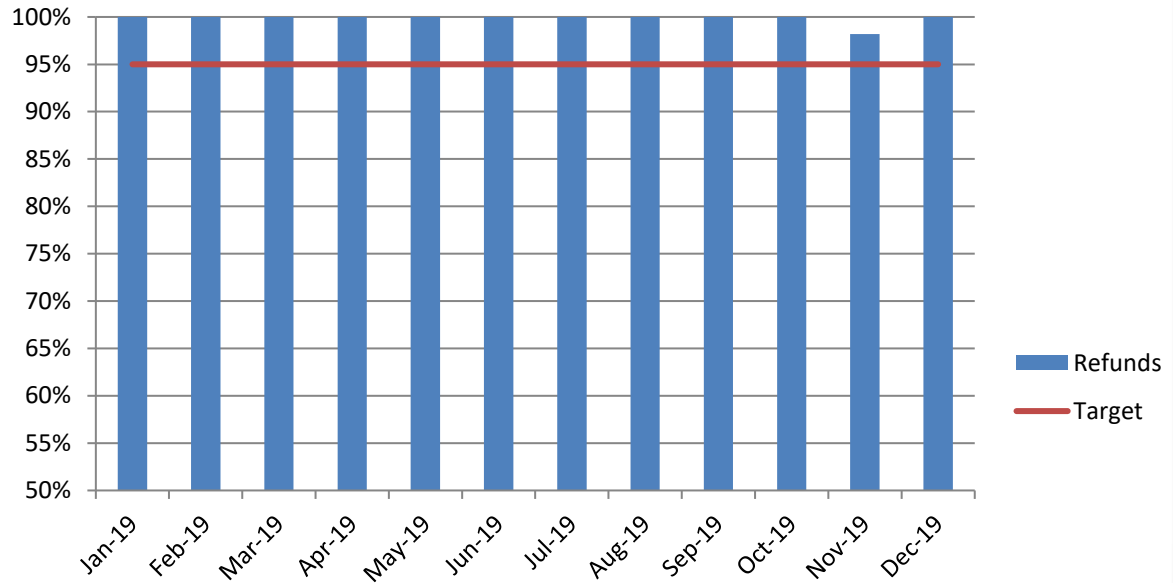
**CIPFA Benchmark:** Two months from date of joining the scheme or if earlier within one month of receiving jobholder information.



**CIPFA Benchmark:** As soon as practicable and no more than two months from date of notification from scheme employer.



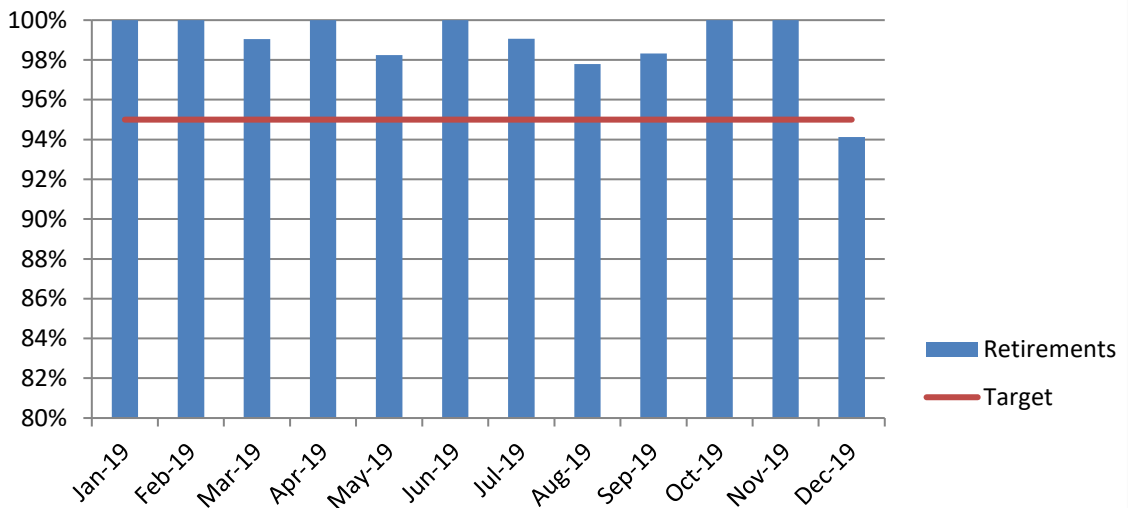
**Chart 5C - KPI 3 - Refunds processed within 10 working days**



	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Refunds	100	100	100	100	100	100	100	100	100	100	98.18	100
Target	95	95	95	95	95	95	95	95	95	95	95	95

**CIPFA Benchmark:** To be confirmed.

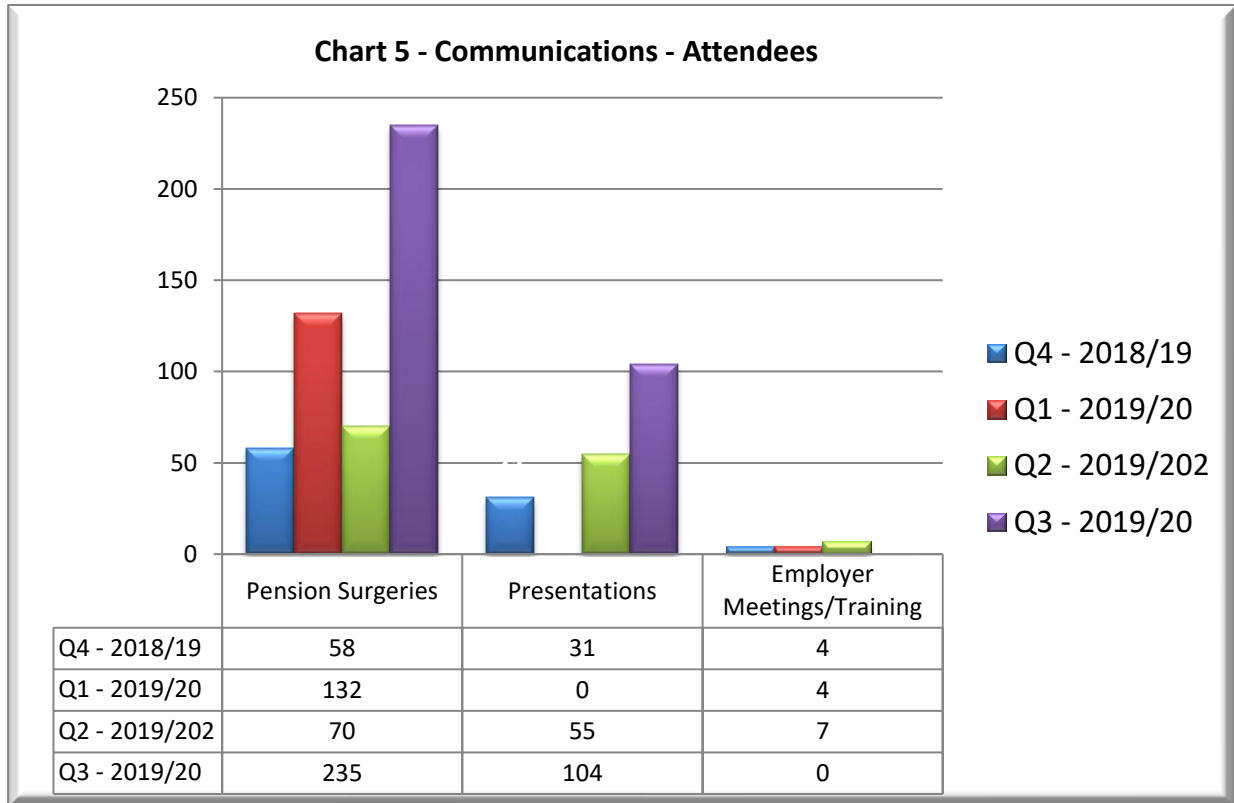
**Chart 5D - KPI 4 - Retirements processed within 5 working days**



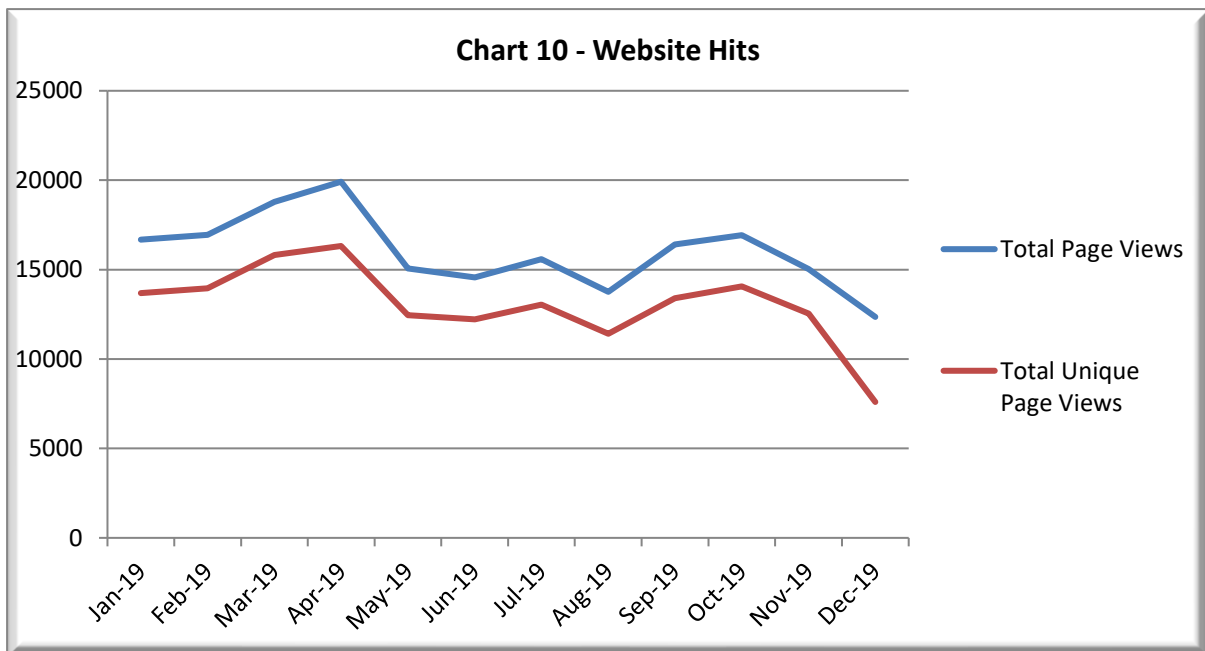
	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Retirements	100	100	99.04	100	98.25	100	99.07	97.8	98.33	100	100	94.12
Target	95	95	95	95	95	95	95	95	95	95	95	95
Total	84	115	104	125	114	98	107	91	120	126	95	68

**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



1.7 Website Page Views



1.8 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.

There is no feedback to report.

## 2 SPECIAL PROJECTS

### 2.1 *Guaranteed Minimum Pension (GMP) Reconciliation*

Following the end of contracting out in April 2016, HM Revenue & Customs (HMRC) intended to send during December 2018 a statement to all individuals affected stating the amount of Guaranteed Minimum Pension (GMP) they will receive at State Pension Age and which public or private sector pension scheme is responsible for paying it.

Ahead of this Officers had opportunity to review the GMP values held for scheme members with those calculated by HMRC to ensure that the correct values are being paid and to rectify any instances where discrepancies were identified, the outcome being that going forward the Royal Borough of Windsor & Maidenhead as the Administering Authority for the Royal County of Berkshire Pension Fund (RCBPF) is responsible for making payment of the correct GMP liabilities.

Officers completed the project in respect of pensioner and dependant scheme members in February 2018 and it was acknowledged by the Local Government Association (LGA) that the Pension Fund was the first LGPS Pension Fund to do so.

Due to the volume of queries received by HMRC from UK pension schemes a statement was not issued and unfortunately Officers have experienced significant difficulties receiving responses from HMRC to queries raised in respect of active and deferred scheme members.

The total number of queries it has been necessary for Officers to raise with HMRC is 13,424, of which 4,965 remain outstanding. This represents 10.67% of the total overall active and deferred scheme membership at 31 December 2019.

The significant difficulties are not preventing Officers from calculating and paying benefits quickly and accurately due to the availability of HMRC's online service that is readily accessible to all LGPS Pension Fund's.