

Report Title:	Administration Report
Contains Confidential or Exempt Information	No - Part I
Cabinet Member:	Councillor Julian Sharpe, Chairman Pension Fund Committee and Advisory Panel
Meeting and Date:	Pension Fund Committee and Advisory Panel – 7 March 2022
Responsible Officer(s):	Kevin Taylor, Pension Services Manager and Philip Boyton, Pension Administration Manager
Wards affected:	None

REPORT SUMMARY

This report deals with the administration of the Pension Fund for the period 1 October 2021 to 31 December 2021. It recommends that 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 Committee notes the report and;

- i) Notes all areas of governance and administration as reported; and
- ii) Notes all key performance indicators

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

- 2.1. The 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. None.

7. POTENTIAL IMPACTS

7.1. Equalities: Equality Impact Assessments are published on the council's website N/A

7.2. Climate change/sustainability: N/A

7.3. Data Protection/GDPR. N/A

8. CONSULTATION

8.1. Not applicable.

9. TIMETABLE FOR IMPLEMENTATION

9.1. Not applicable.

10. APPENDICES

10.1. This report is supported by 1 appendix:

- Appendix 1: Administration Report 1 October 21 to 31 December 21

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
Mandatory: Statutory Officers (or deputy)			
Adele Taylor	Executive Director of Resources/S151 Officer	22/02/2022	24/02/2022
Emma Duncan	Deputy Director of Law and Strategy / Monitoring Officer	22/02/2022	
Deputies:			
Andrew Vallance	Head of Finance (Deputy S151 Officer)	22/02/2022	25/02/2022
Elaine Browne	Head of Law (Deputy Monitoring Officer)	22/02/2022	28/02/2022
Karen Shepherd	Head of Governance (Deputy Monitoring Officer)	22/02/2022	25/02/2022
Other consultees:			
Cllr Julian Sharpe	Chairman – Berkshire Pension Fund Committee	22/02/2022	

13. REPORT HISTORY

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

Report Author: Kevin Taylor, Pension Services Manager 07992 324393
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ADMINISTRATION REPORT

QUARTER 4 – 2021

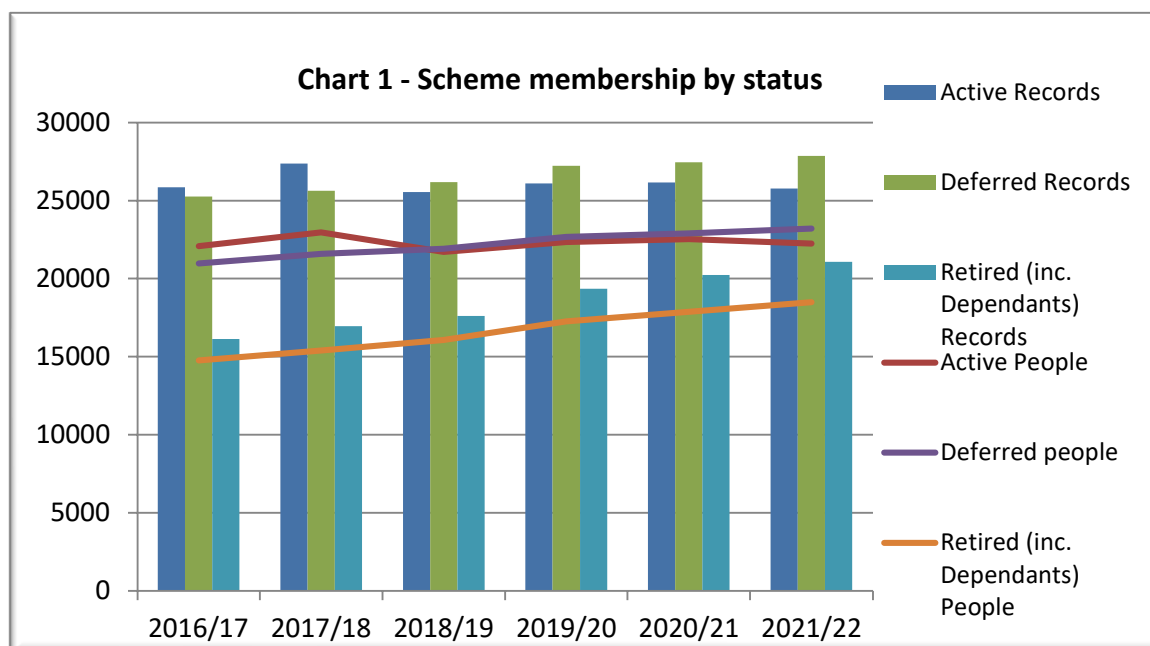
1 October 2021 to 31 December 2021

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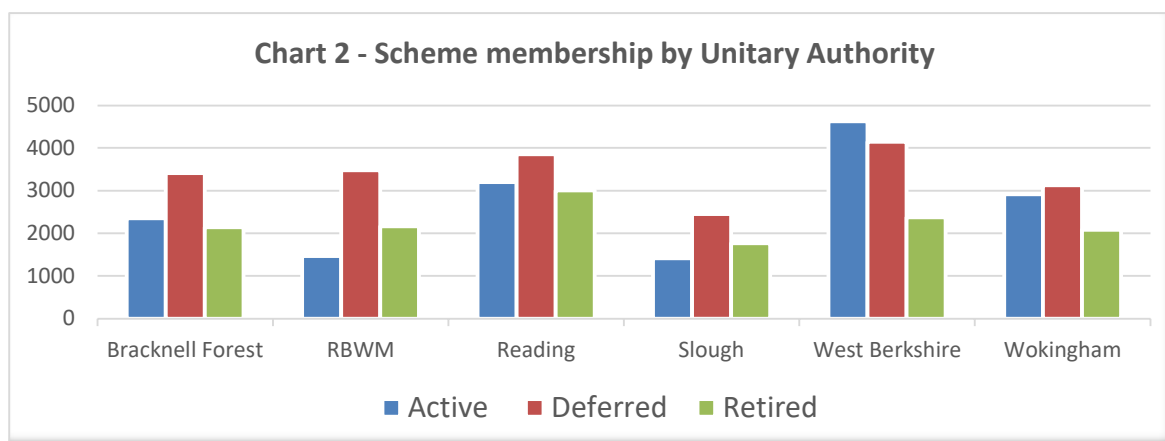
1. ADMINISTRATION

1.1 Scheme Membership



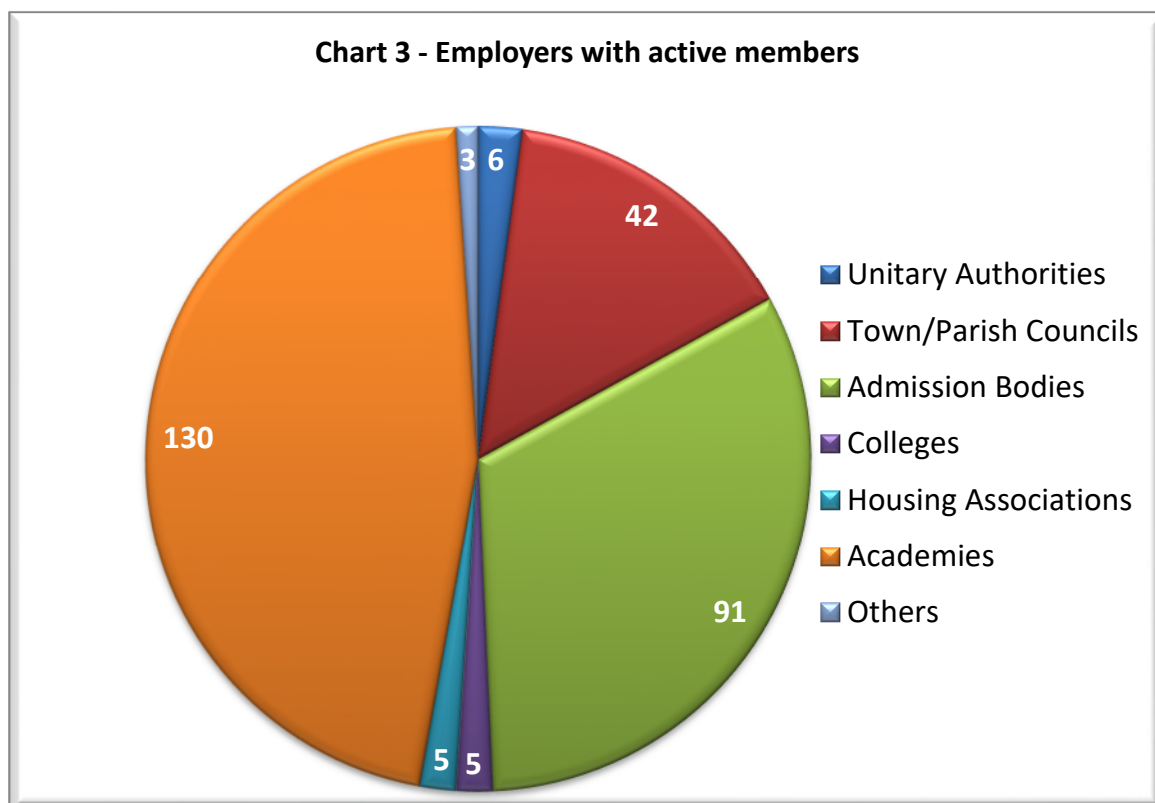
Active Records	25,773	Active People	22,253
Deferred Records	27,858	Deferred People	23,215
Retired Records	21,080	Retired People	18,503
TOTAL	74,711	TOTAL	63,971

1.2 Membership by Employer



Membership movements in this Quarter (and previous Quarter)	Bracknell	RBWM	Reading	Slough	W Berks	Wokingham
Active	-20 -44	-38 +27	45 -157	-40 -92	-2 +70	+34 -31
Deferred	+4 +13	-2 -5	9 +6	+13 -4	+71 +5	+24 0
Retired	+25 +28	+17 +30	+37 +38	+13 +38	+44 +54	+35 +27

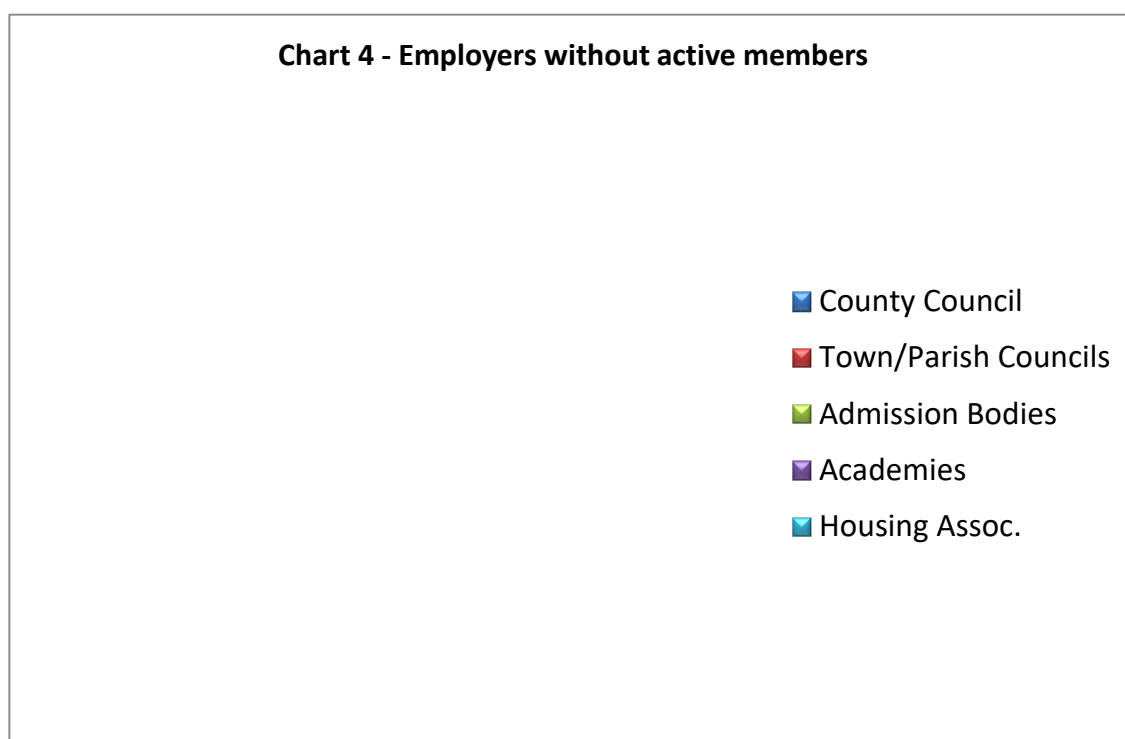
1.3 Scheme Employers



New employers since last report:

Admission Bodies: None

Academies: None



Exiting employers: Rapidclean (Circle Trust)

1.4 Scheme Employer Key Performance Indicators

Table 1A – i-Connect users Quarter 4 (1 October 2021 to 31 December 2021)

Employer	Starters	Leavers	Changes	Total	Submission Received Within Specification
Bracknell Forest Cncl	172	158	519	849	100%
RBWM	135	106	421	662	100%
Reading BC	252	162	735	1,149	100%
Slough BC	59	99	178	336	100%
West Berks Council	373	210	1,010	1,593	100%
Wokingham BC	187	92	582	861	100%
Academy/ School	598	558	2,743	3,899	84.93%
Others	87	84	311	482	69.64%

NOTES: Table 1A above shows all transactions through i-Connect for the fourth quarter of 2021. Changes include hours/weeks updates, address amendments and basic details updates.

The benefits of i-Connect are:

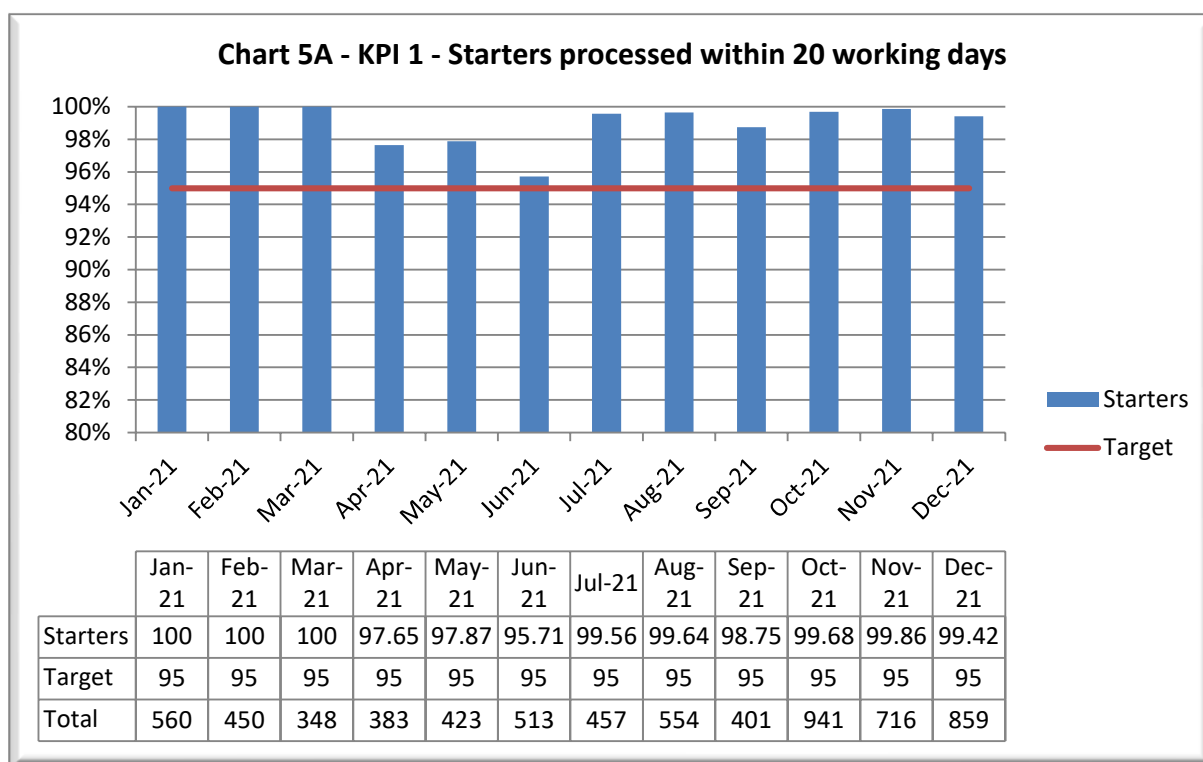
- Pension records are maintained in ‘real-time’;
- Scheme members are presented with the most up to date and accurate information through *mypension* ONLINE (Member self-service);
- Pension administration data matches employer payroll data;
- Discrepancies are dealt with as they arise each month;
- Employers 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.

Since the 1 October 2021 Officers are pleased to report the following scheme employers have on boarded i-connect with scheme member data received on a monthly basis:

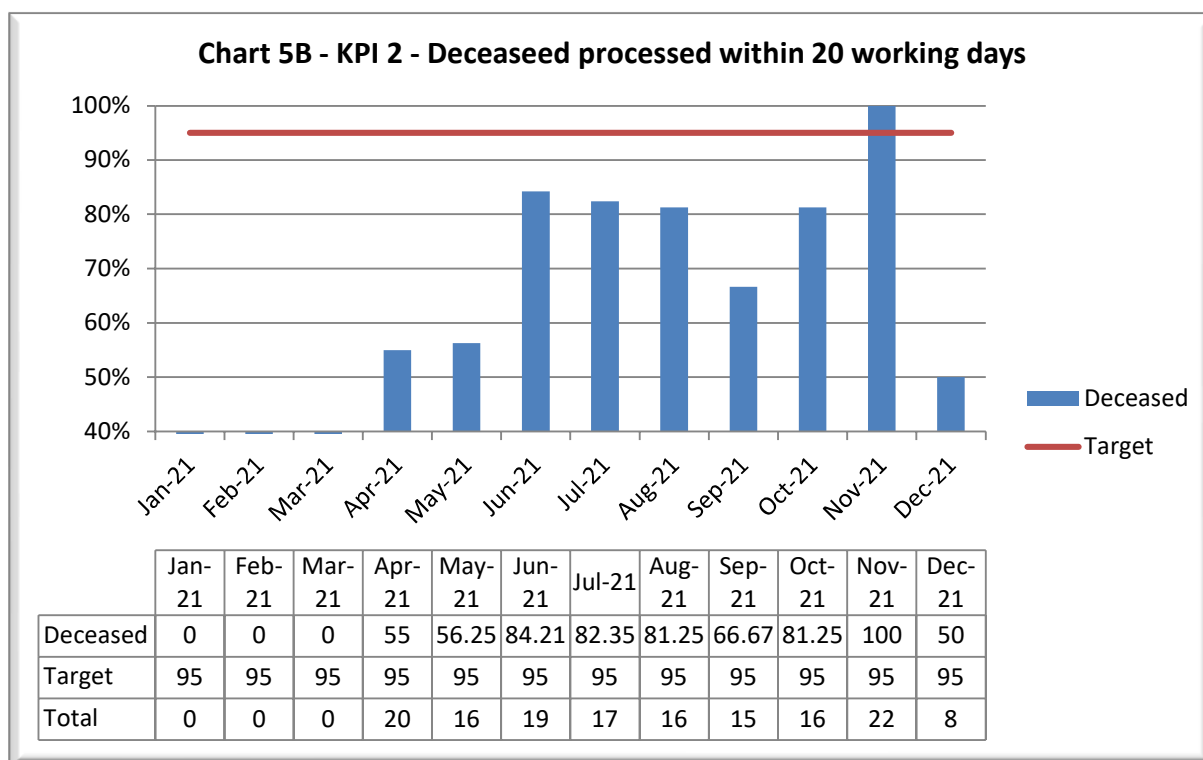
- Westgate School
- VolkerHighways Limited

136 scheme employers have yet to on-board i-Connect. The Pension Fund is committed, and continues, to work with all scheme employers to adopt i-Connect with currently 90% of scheme member records having been on-boarded. Scheme employers with fewer than 10 scheme members (77 employers) will be given the option of using an on-line portal version of i-Connect.

1.5 Key Performance Indicators

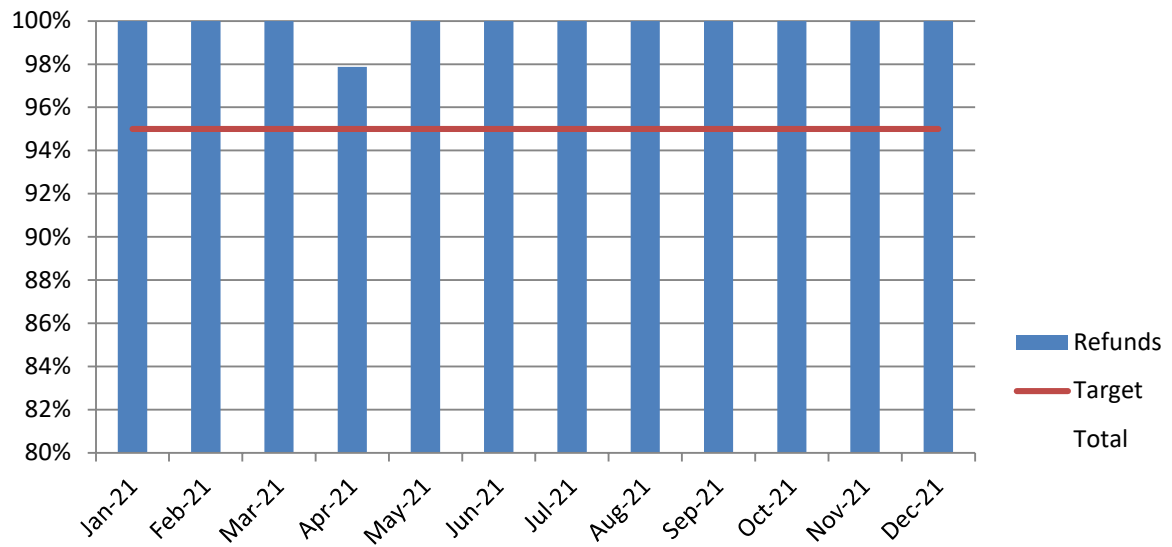


CIPFA Benchmark: Two months from date of joining the scheme or if earlier within one month of receiving jobholder information.



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.

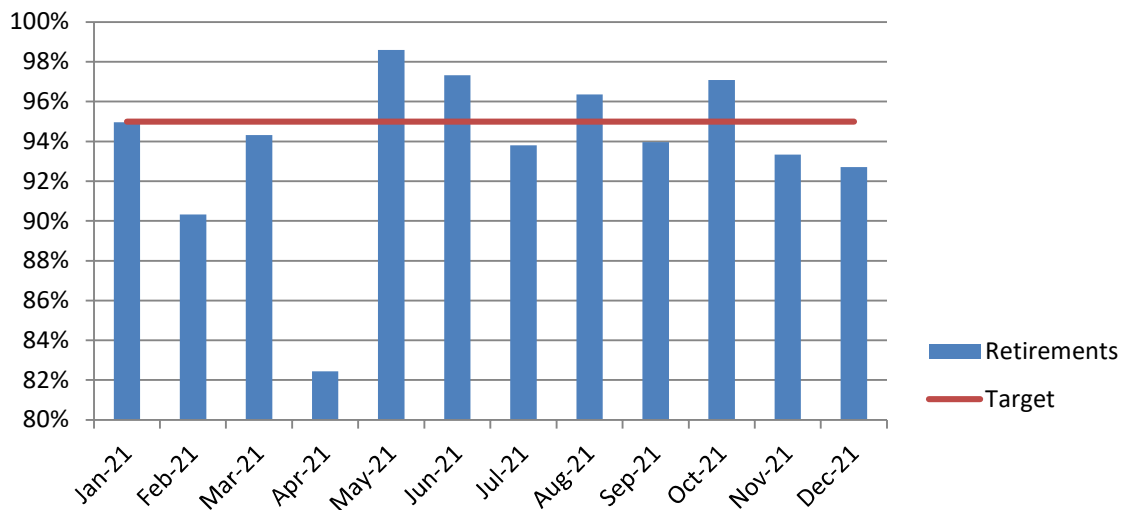
Chart 5C - KPI 3 - Refunds processed within 10 working days



	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Refunds	100	100	100	97.87	100	100	100	100	100	100	100	100
Target	95	95	95	95	95	95	95	95	95	95	95	95
Total	28	23	44	47	36	50	51	31	43	53	42	48

CIPFA Benchmark: To be confirmed.

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

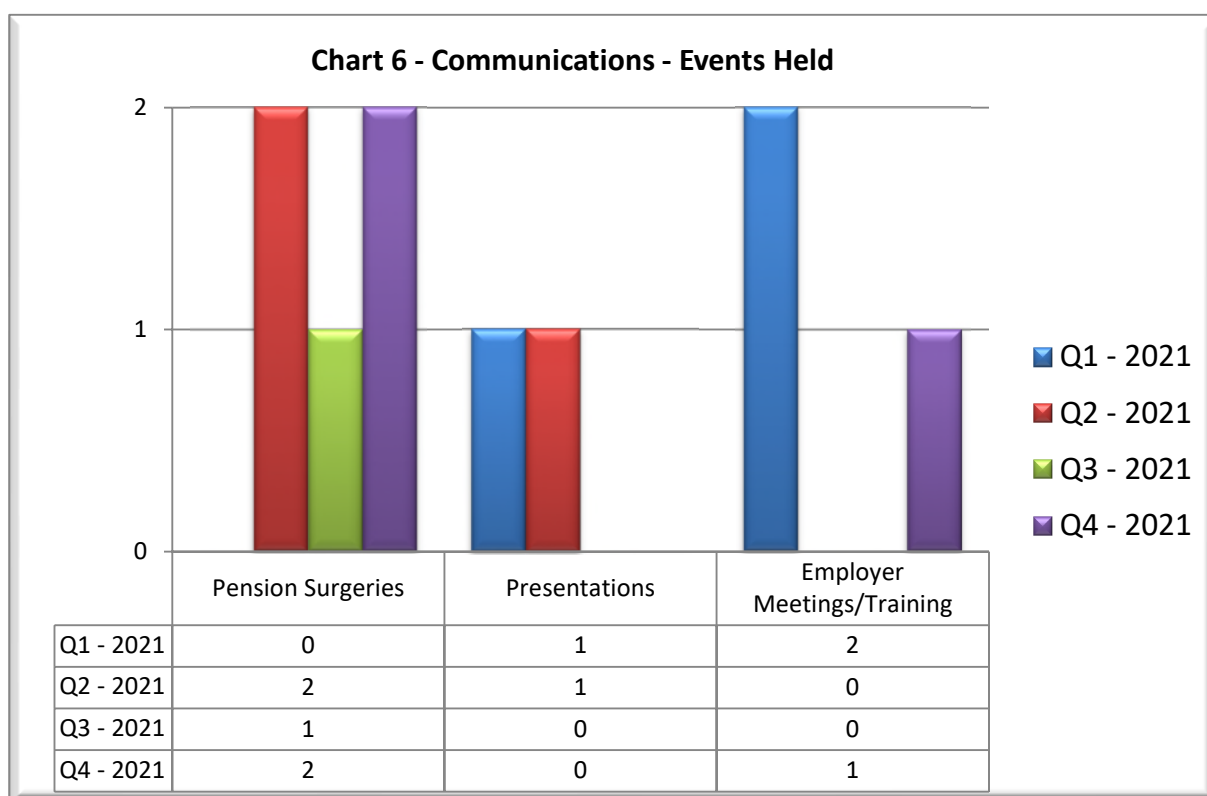


	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Retirements	94.96	90.32	94.32	82.44	98.6	97.33	93.8	96.36	93.96	97.08	93.33	92.71
Target	95	95	95	95	95	95	95	95	95	95	95	95
Total	119	93	88	131	36	150	129	110	149	137	120	96

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

All events shown have been held remotely.



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
02/12/2021	E-mail	Thanks [NAME] should know not to doubt you.
02/12/2021	E-mail	This is perfect as usual, and I am very grateful as always for your assistance and the info is always taken as just an estimate. I haven't forgotten my offer to buy you lunch at an appropriate time.
02/12/2021	Email	Thanks [NAME] that's great and I am privileged to have such valued support from you. I will pop a note in my diary to say hello sometime in March and take from there. Have a great Christmas and once again many thanks.
14/12/2021	E-mail	I wish you to know that I have had outstanding service this morning from one of your Pension Administrators, [NAME]. When I called this morning I was very anxious and worried about a pension issue. Within moments her

	<p>calm and courteous manner reduced my concerns. She consulted with another colleague and returned my call with the information required within a very acceptable timeframe. She was able to explain, what to me is a complicated issue, with clarity.</p> <p>It is very unusual these days to receive a service from someone with these qualities. [NAME] was respectful and knowledgeable without making me feel out of my depth.</p> <p>I hope that you will find a way to acknowledge [NAME] talent.</p>
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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.

Following a recent Southern Area Pension Officer Group (SAPOG) meeting attended by Officers of Berkshire Pension Fund, Buckinghamshire Pension Fund (BPF), East Sussex Pension Fund, Hampshire Pension Fund (HPF), Isle of Wight Pension Fund, Oxfordshire Pension Fund, Surrey Pension Fund, West Sussex Pension Fund it has been identified only BPF and HPF have begun collecting historical hour and week data from their respective scheme employers and contracted third party payroll providers.

It has so far proven to be very challenging for BPF and HPF to collect the historical data needed dating back to 1 April 2014 due to a) a lack of scheme employer engagement, b) it only being necessary to retain data for a period of seven financial years and c) scheme employers changing contracted third-party payroll providers.

Since 2019 all SAPOG Pension Funds have kept in touch with their scheme employers about this judgement. The Local Government Association did inform SAPOG that Regulations will be laid before Parliament during July or August 2022 and come into force from 1 October 2023.

In preparation of the extensive work that will be involved to bring scheme member records up to date including the re-calculation of early leaver, pensioner, dependant and transfer out events that have occurred since 1 April 2014, many Pension Funds are planning to increase the size of their administration teams with BPF and HPF having done so already by four and three Pension Officers respectively with the need for potential further resource as the project progresses.

2.3 *Pensions Dashboard Programme*

A national pensions dashboard has been on the horizon for some time and with the Pension Schemes Act 2021 having received Royal Assent last year on 11 February 2021, the Department for Work and Pensions (DWP) has now published, on 31 January 2022, its 137-page consultation document on the draft Pensions Dashboard Regulations. The consultation period ends on 13 March 2022. The Local Government Association (LGA) will be preparing its response to the consultation for circulation to all administering authorities in due course. Officers will await the LGA response before considering any further response that may be required.

It is anticipated the Pensions Dashboards Programme (PDP) will publish further detailed instructions on how a scheme administrator must operate with the dashboards ecosystem.

Officers recognise it is important not to wait for the conclusion of the consultation and for guidance to be issued with almost every aspect of administering a pension scheme being 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.

At a recent service review meeting with Heywood Pension Technologies, the software providers of the Fund's pension administration system *altair*, officers agreed to act as a 'test-site' for the development and testing of the pension system software that will ultimately enable LGPS Funds to provide member pension data for use in the dashboard.

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. Officers understand that the Pensions Dashboard will go live during 2023 but that the draft Pension Dashboard Regulations provide a staging date of 30 April 2024 for all Public Service Pension Schemes.