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| Report Title: | Statutory Policies |
| Contains Confidential or Exempt Information | No - Part I |
| Lead Member: | Councillor Julian Sharpe, Chairman Pension Fund Committee and Advisory Panel |
| Meeting and Date: | Pension Fund Committee and Advisory Panel – 19 September 2022 |
| Responsible Officer(s): | Damien Pantling, Head of Pension Fund |
| Wards affected: | None |

REPORT SUMMARY

This report brings back to the committee, two policy documents for periodic review in line with the Local Government Pension Scheme Regulations (2013). The Communications strategy was last approved in September 2018 and the Pensions Administration Strategy was last approved in January 2019.

This report also considers the Pensions Administration Service Level Agreement, last approved alongside the Pensions Administration Strategy on 14 January 2019 and is brought back for re-approval alongside the Administration Strategy for completeness.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That the Pension Fund Committee notes the report;

- i) Approves the updated policies and administration SLA set out in the Appendices to this report; and**
- ii) Approves publication of the updated policies and administration SLA on the Pension Fund website.**

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

- 2.1. Regulation 61 of the Local Government Pension Scheme Regulations (2013) (the regulations) states that an administering authority must prepare, maintain and publish a written statement setting out its policy concerning communications with its key stakeholders. The revised communications strategy (appendix 1) addresses the key points stipulated in the regulations.
- 2.2. The regulations require that the statement must be revised published following a material change in any matters referred to in the policy. Whilst there have been no material changes to the fundamental methods of communication, this policy has been refreshed to incorporate the use of virtual and hybrid meetings, the streamlining of member newsletter communications and the heightened focus on e-communications where possible. The key changes to the policy are detailed in section 4 of this report.

As per the regulations, the revised statement shall be published on the Pension Fund's website.

- 2.3. In addition to the regulations, the Pensions Regulator's code of practice contains detailed guidance on providing good quality communications to members and other stakeholders. This guidance has been followed in preparing and reviewing the Fund's updated communications strategy. (Referred to in the regulations as the 'statements of policy concerning communications with members and Scheme employers.')
- 2.4. Regulation 59 of the Local Government Pension Scheme Regulations (2013) (the regulations) states that an administering authority may (not must) prepare, maintain and publish a written statement of the authority's policies in relation to its Pension Administration Strategy. The revised Pension Administration Strategy (appendix 2) addresses the key points stipulated in the regulations.
- 2.5. The regulations require that the statement must be published following any change in any matters referred to in the policy. Whilst there have been no material changes (other than presentational) to the fundamentals within the Pensions Administration Strategy, several areas have been revised to ensure it is consistent with other strategy and policy documents recently approved by the Pension Fund Committee. These include:
 - 2.5.1. Reference to the aims and objectives, ensuring that it is clear the aims and objectives relate just to the administration service and not the Fund as a whole to enable consistency with the recently approved Business Plan.
 - 2.5.2. Expansion of the sections referring to the Pension Administration SLA, to ensure the purpose of such an SLA is clear, the parties to the SLA are defined, and that there is no confusion between this and the recently approved RBWM and Pensions Administration team SLA.
 - 2.5.3. Reference to the recently approved Communications Strategy, ensuring there is consistency where the Regulations require that communication is detailed in both strategy documents.
- 2.6. As per the regulations, the revised statement shall be published on the Pension Fund's website.
- 2.7. The Pension Administration and Scheme Employer Service Level Agreement is attached at Appendix 3 to this report and is in place between the Administering Authority and all Scheme Employers including RBWM (notionally) as a scheme employer. This document defines the responsibilities, expectations and KPI's to be provided by the scheme employer, scheme administrator and administering authority.
- 2.8. A separate SLA document was approved by the Pension Fund Committee in July 2022 setting the standards between just the Administering Authority and the Fund, serving a different purpose to the SLA attached at Appendix 3 (i.e. does not consider employer responsibilities).– It is therefore outside of the scope of this report.

- 2.9. The Pension Administration and Scheme Employer SLA has not previously been brought to committee for review, instead it has been reviewed and approved alongside the pensions administration strategy previously to ensure consistency. As a non-statutory document, there is no requirement for committee approval, however, it is being brought for review for completeness alongside the pension administration strategy.
- 2.10. Please note that there have been no material changes to the SLA, other than minor presentational changes, updating of outdated website links and ensuring consistency with other recently approved policy and strategy documents.

3. KEY IMPLICATIONS

- 3.1. Approving the Communications Strategy (Appendix 1) to incorporate the modifications is in line with best practice and the regulations, demonstrating the Fund's position as a well governed LGPS pension scheme.
- 3.2. Approving the Pensions Administration Strategy (Appendix 2) to incorporate the modifications is in line with best practice and the regulations, demonstrating the Fund's position as a well governed LGPS pension scheme.
- 3.3. Approving the Pension Administration and Scheme Employer SLA alongside the Pensions Administration Strategy ensures completeness and consistency, as it is in line with best practice to regularly review and update significant documents.

4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1. Several initiatives contained within the revised Communications Strategy are expected to have associated cost savings relating to the saving of paper, printing postage and staff-time resources. These are;
 - 4.1.1. Increasing the de minimis from 50p to £1 as a threshold change in net-pay for the sending of regular payslips to retired members.
 - 4.1.2. Reducing the number of paper publications by combining the active and deferred scheme member newsletters into one publication with multiple sections (the Quill)
 - 4.1.3. Reducing the number of paper communications and newsletters generally by running a member outreach exercise to re-gather preferences for paper vs electronic communications, with increased encouragement for increased e-communications.
 - 4.1.4. Incorporating virtual (and hybrid where more appropriate) meetings into the communication strategy to adapt to new ways of working.
- 4.2. Several objectives contained within the Pensions Administration Strategy have financial implications, however, all additional expenditure is expected to be

managed within existing budgets and there is no requirement for additional financial resources.

- 4.3. There are no financial implications concerned with updating the SLA.

5. LEGAL IMPLICATIONS

- 5.1. The administering authority is required to govern and administer the Pension Scheme in accordance with the Public Service Pensions Act 2013 and associated Local Government Pension Scheme Regulations. Failure to do so could lead to challenge. These policies are prepared to be consistent with the relevant legislation.
- 5.2. Whilst the production of a Pensions Administration strategy is not compulsory, it is referred to in detail in the relevant regulations. It should be noted that it is very abnormal for a LGPS Pension Fund not to have this strategy in place. For reasons of best practice and good governance it is included in these statutory policies report despite its inclusion not being an explicit statutory responsibility.

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: Equality Impact Assessments are published on the council's website: There are no EQIA impacts as a result of taking this decision. A completed EQIA has been attached at Appendix 4 to this report
- 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. No external consultation has been undertaken in regard to the review of these policies.

8.2. The LGPS regulations (and the SLA document) require that any changes are communicated to and consulted with scheme employers as appropriate. Given the changes are immaterial and do not change the fundamentals of the service or have any material implications directly on the Scheme Employers, they will instead be notified of the updated document as it is published on the Pension Fund Website once approved by the Pension Fund Committee.

9. TIMETABLE FOR IMPLEMENTATION

9.1. Ongoing.

10. APPENDICES

10.1. This report is supported by 4 Appendices:

- Appendix 1 – Communications Strategy
- Appendix 2 – Pensions Administration Strategy
- Appendix 3 – Pension Administration and Scheme Employer SLA
- Appendix 4 - EQIA

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: Statutory Officers (or deputy)</i> | | | |
| Adele Taylor | Executive Director of Resources/S151 Officer | 18/08/2022 | 25/08/2022 |
| Emma Duncan | Deputy Director of Law and Strategy / Monitoring Officer | 18/08/2022 | |
| <i>Deputies:</i> | | | |
| Andrew Vallance | Head of Finance (Deputy S151 Officer) | 18/08/2022 | 06/09/2022 |
| Elaine Browne | Head of Law (Deputy Monitoring Officer) | 18/08/2022 | 24/08/2022 |
| Karen Shepherd | Head of Governance (Deputy Monitoring Officer) | 18/08/2022 | 18/08/2022 |
| <i>Other consultees:</i> | | | |
| Cllr Julian Sharpe | Chairman – Berkshire Pension Fund Committee | 18/08/2022 | |

13. REPORT HISTORY

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

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| Report Author: Damien Pantling, Head of Pension Fund |
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