

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 – 19 September 2022
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 March 2022 to 30 June 2022. 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: Equality Impact Assessments are published on the council's website: There are no EQIA impacts as a result of considering this report and this report does not require a material decision. No EQIA is published alongside 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. Not applicable.

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 March 2022 to 30 June 2022

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	18/08/2022	25/08/2022
Emma Duncan	Deputy Director of Law and Strategy / Monitoring Officer	18/08/2022	
Deputies:			
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
Other consultees:			
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

Report Author: Kevin Taylor, Pension Services Manager 07992 324393



THE ROYAL COUNTY OF
BERKSHIRE
PENSION FUND

ADMINISTRATION REPORT

QUARTER 2 – 2022 (Q1 2022/23)

1 April 2022 to 30 June 2022

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1. ADMINISTRATION

1.1 Scheme Membership

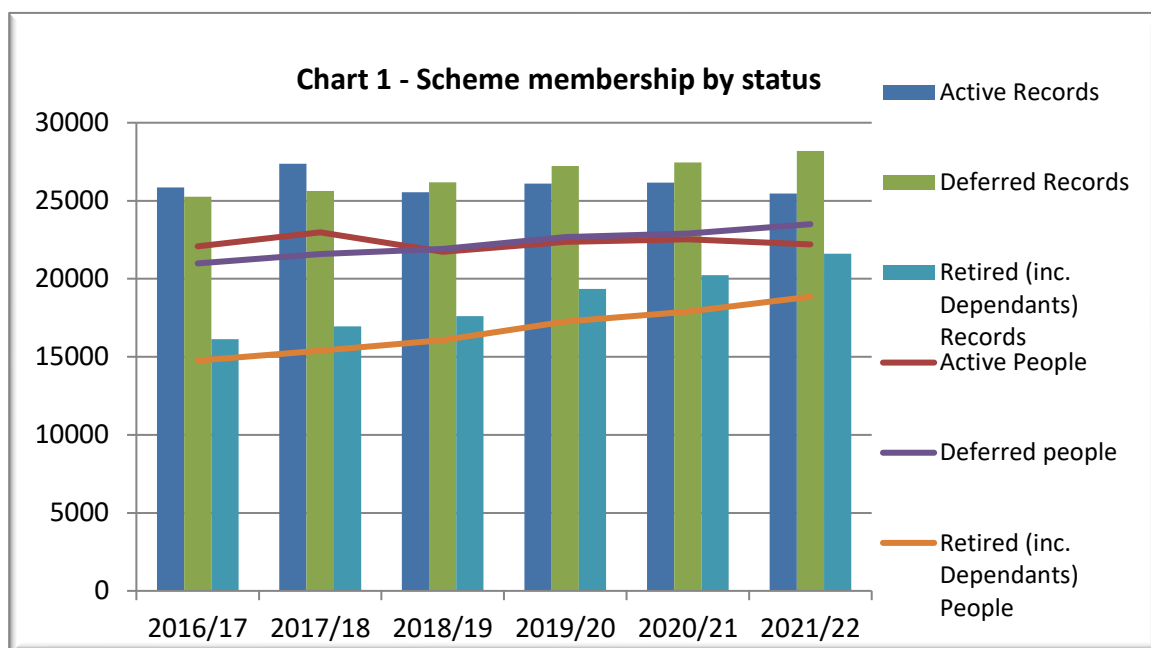


Table 1 – Total Membership

Active Records	25,472	Active People	22,197
Deferred Records	28,186	Deferred People	23,498
Retired Records	21,606	Retired People	18,851
TOTAL	75,264	TOTAL	64,546

1.2 Membership by Employer

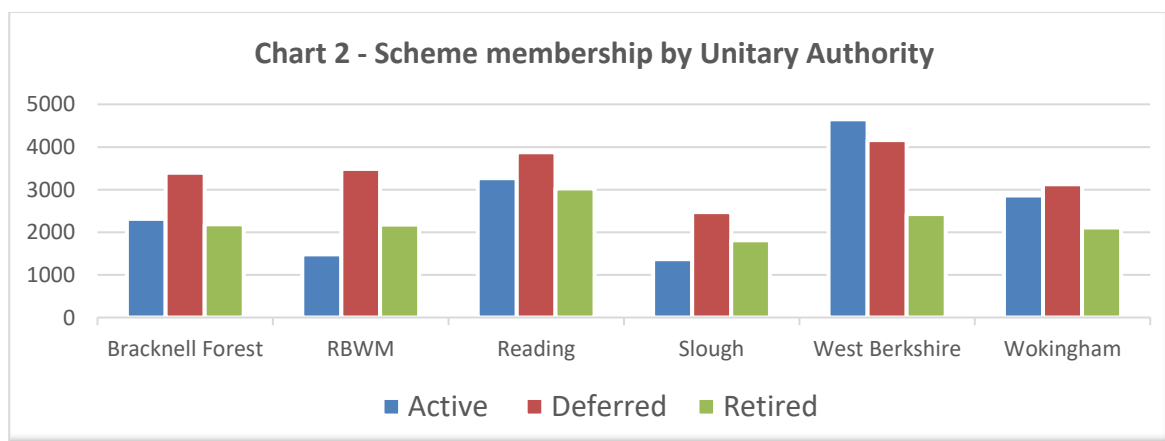
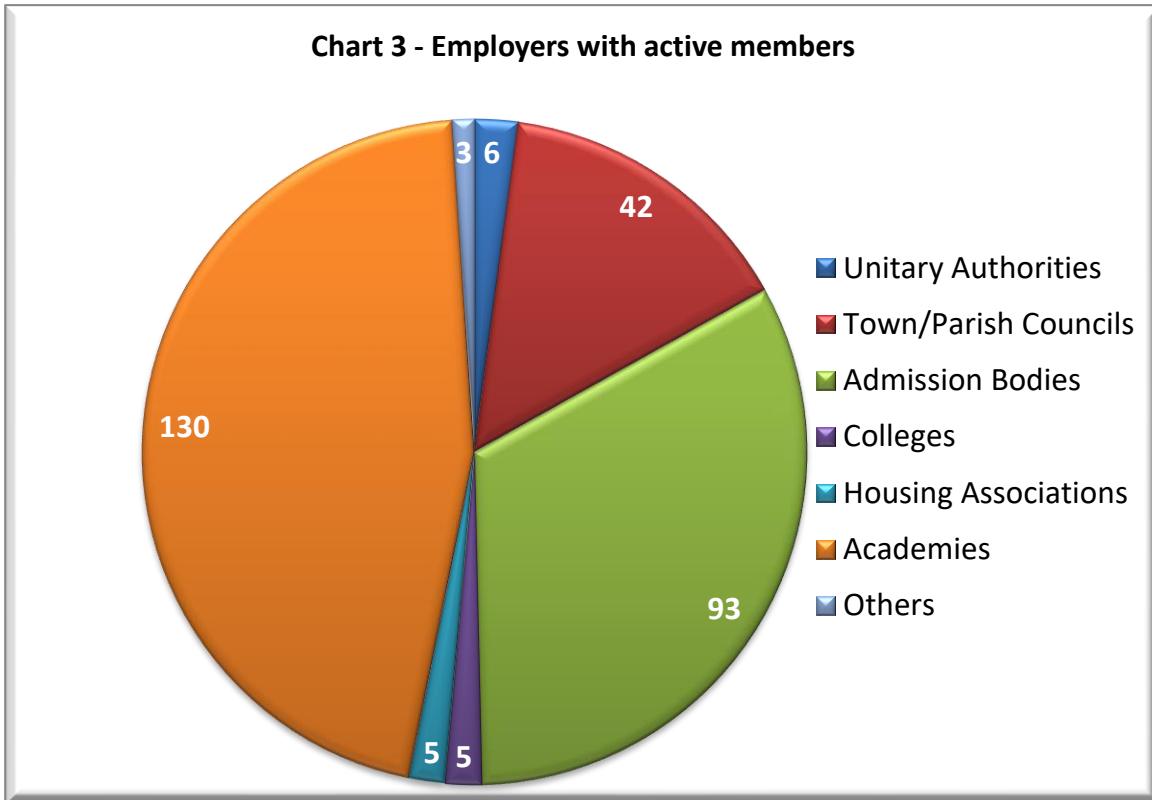


Table 2 - Membership movements in this Quarter (and previous Quarter)

	Bracknell	RBWM	Reading	Slough	W Berks	Wokingham
Active	-38	+19	-44	+24	+73	-54
	-20	-38	45	-40	-2	+34
Deferred	-7	+10	26	+13	+24	+5
	+4	-2	+9	-4	+71	+24
Retired	+43	+15	+40	+13	+23	+34
	+25	+17	+37	+38	+44	+35

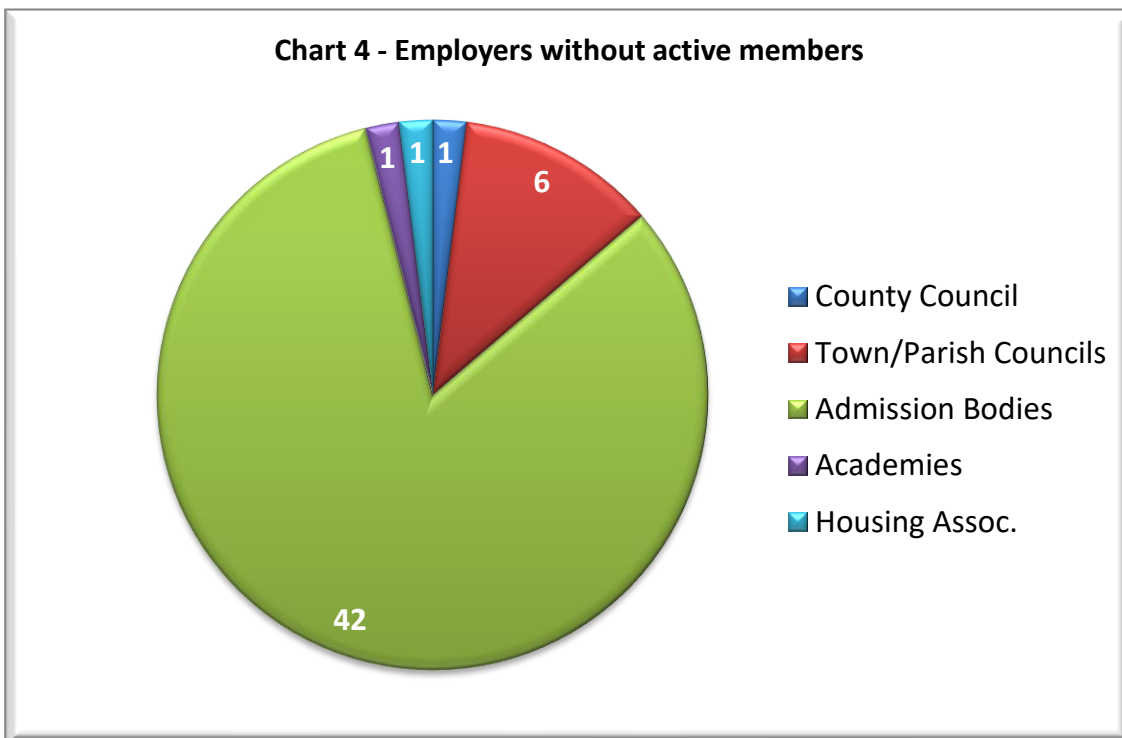
1.3 Scheme Employers



New employers since last report:

Admission Bodies: Impact Food Group (Arbib Academy Trust), Turn It Ion Limited (Maiden Erlegh Trust)

Academies: None



Exiting employers: None

1.4 Scheme Employer Key Performance Indicators

Table 3 – i-Connect users Quarter 2 (1 April 2022 to 30 June 2022)

Employer	Starters	Leavers	Changes	Total	Submission Received Within Specification
Bracknell Forest Cncl	236	115	602	953	100%
RBWM	157	71	383	611	100%
Reading BC	279	126	822	1,227	66.67%
Slough BC	116	124	282	522	100%
West Berks Council	324	236	864	1,424	100%
Wokingham BC	148	70	905	1,123	100%
Academy/ School	562	433	2,556	3,551	50.91%
Others	129	73	364	566	70.00%

NOTES: Table 1A above shows all transactions through i-Connect Software for the second quarter of 2022. Changes include hours/weeks updates, address amendments and basic details updates.

The benefits of i-Connect are:

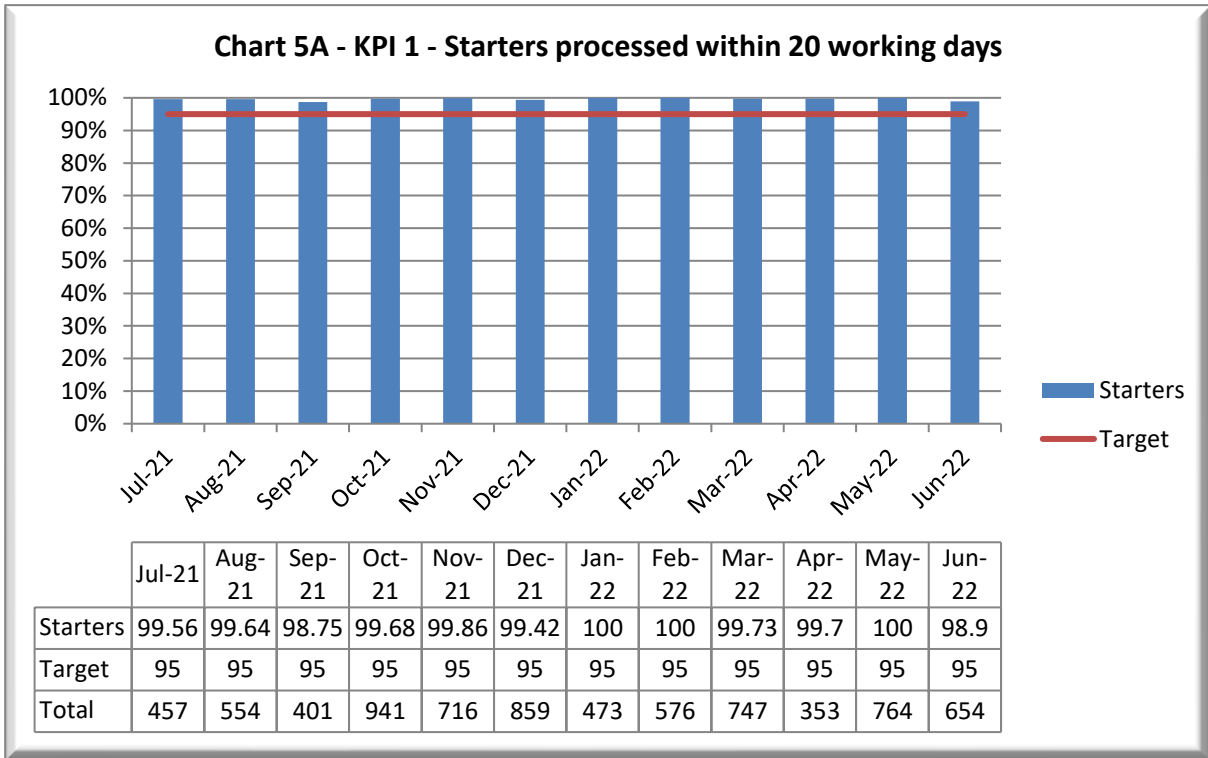
- Pension records are maintained in 'real-time';
- Scheme members are presented with the most up to date and accurate information through "my pension ONLINE" (Member self-service);
- Pension administration data matches employer payroll data;
- Discrepancies are dealt with as they arise each month;
- 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 the 1 April 2022 Officers are pleased to report the following scheme employers have on boarded i-connect Software with scheme member data received monthly:

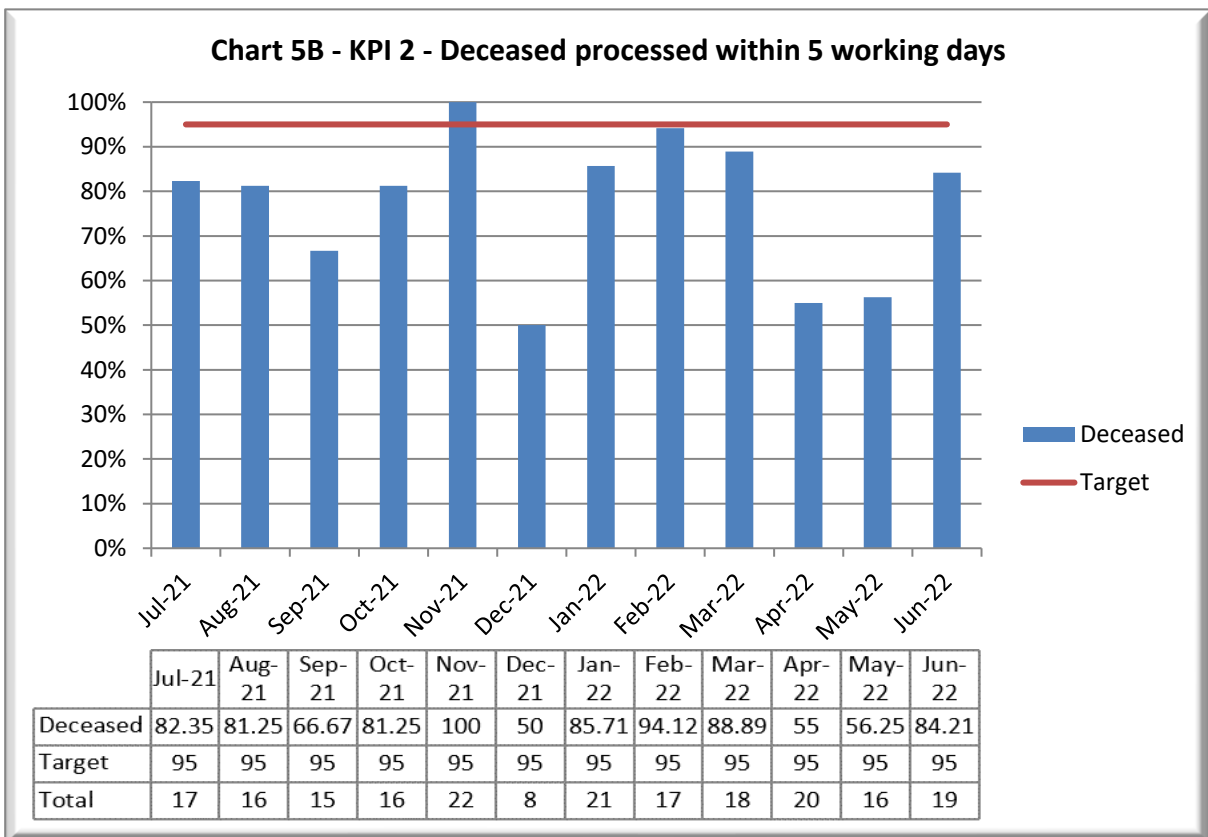
- The Forest School Academy Trust

132 scheme employers are yet to on board i-Connect Software and 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 (77 employers) have the option of using an on-line portal version of i-Connect Software rather than submitting via ".csv".

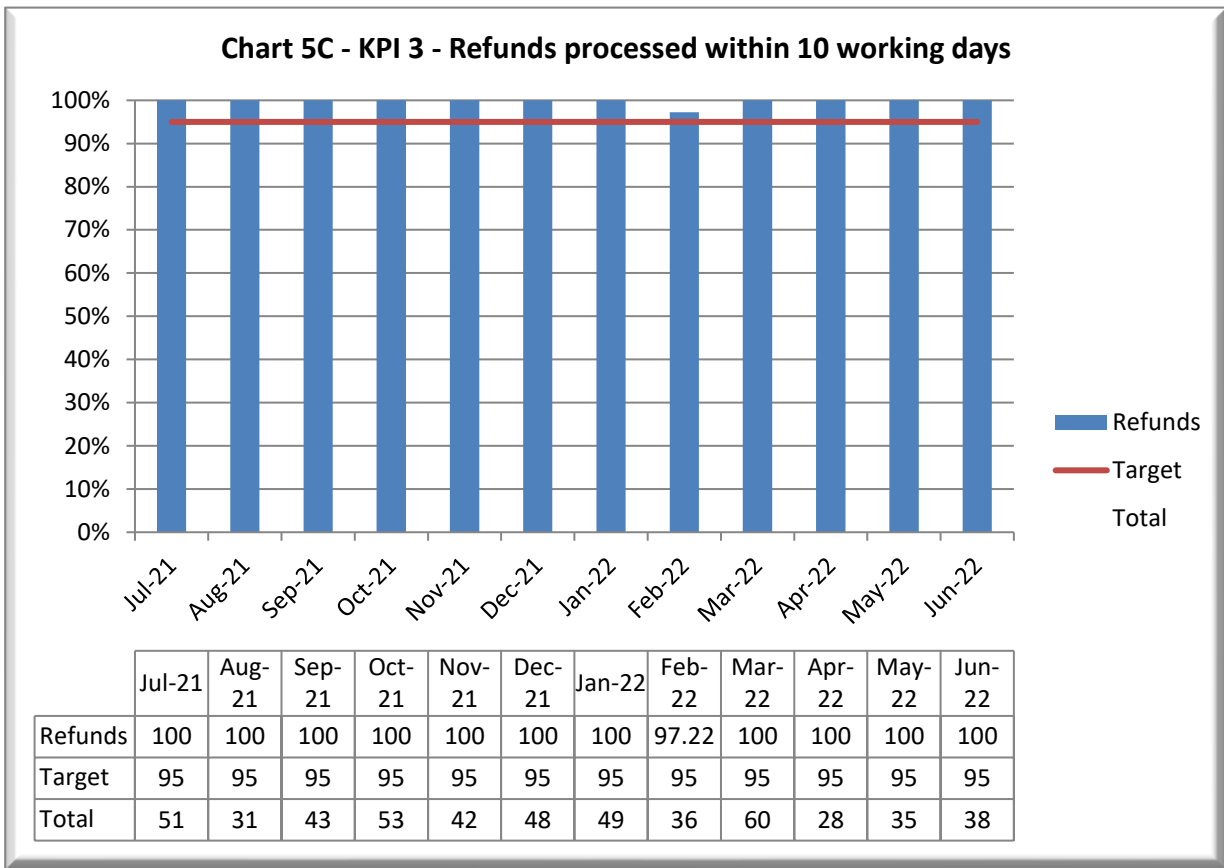
1.5 Key Performance Indicators



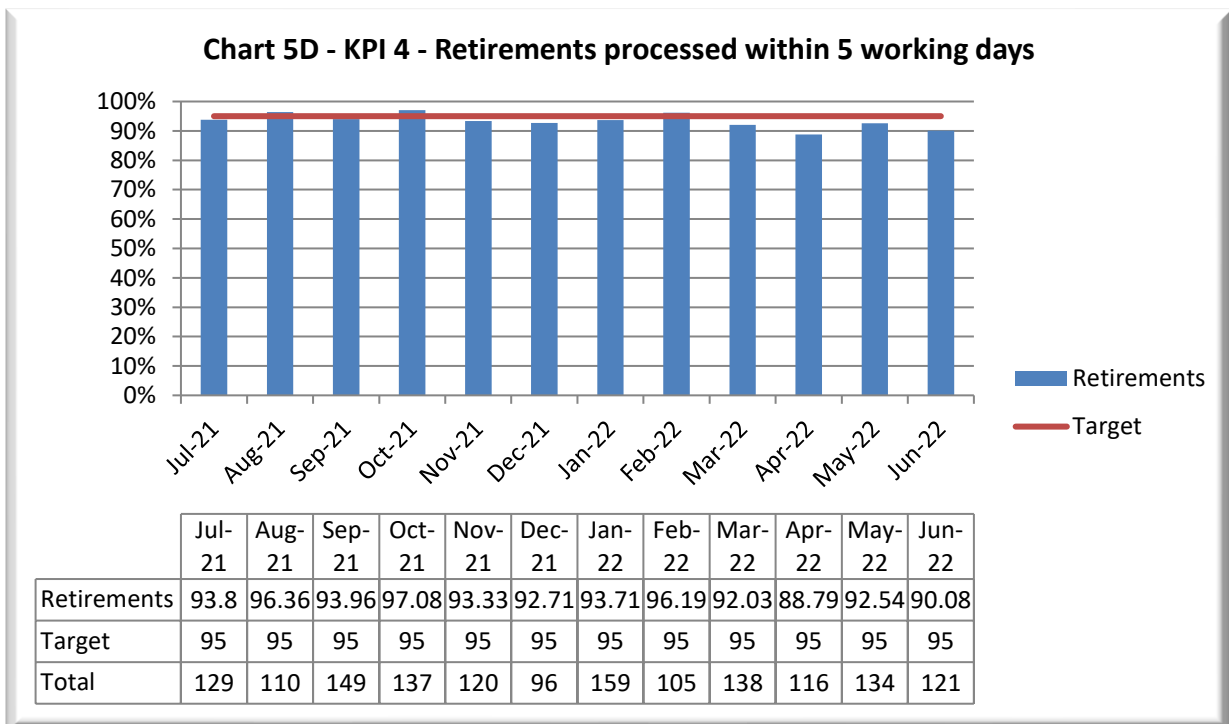
CIPFA Benchmark: Two months from date of joining the scheme or if earlier within one month of receiving jobholder information.



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.



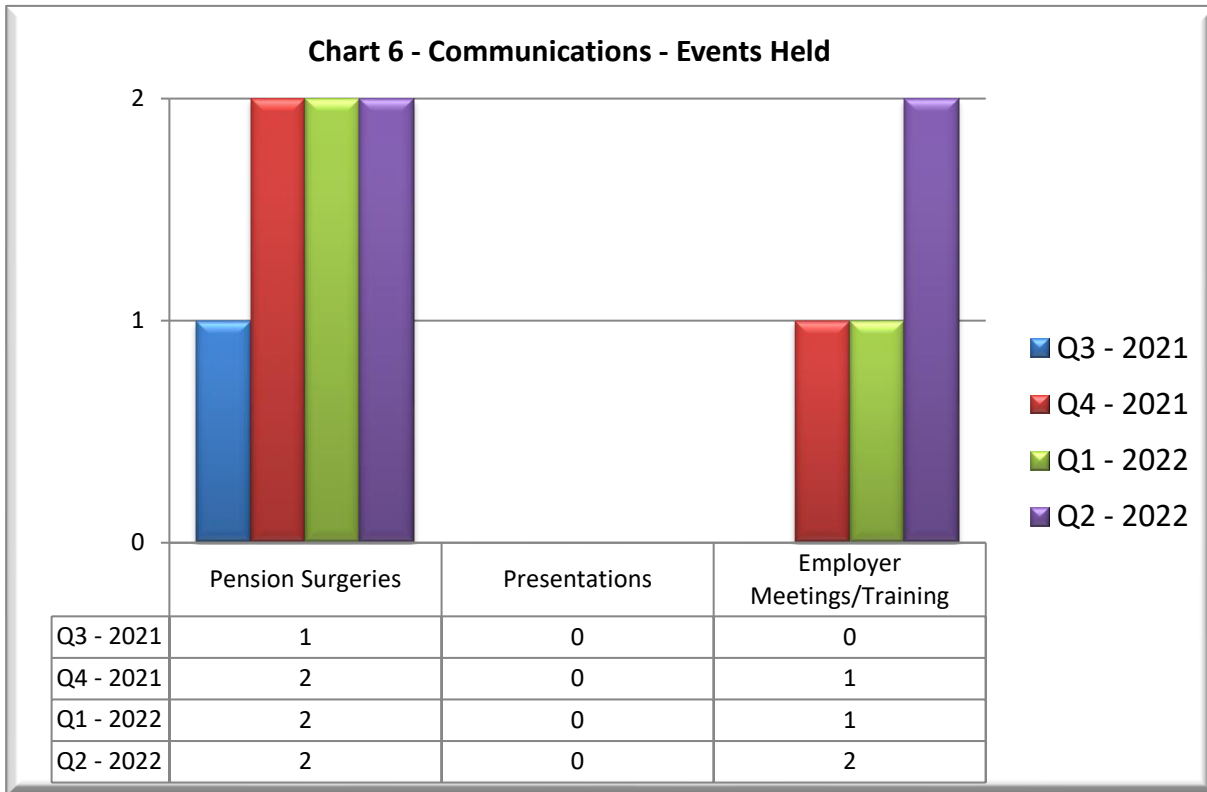
CIPFA Benchmark: To be confirmed.



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
06/04/2022	Email	I would like to compliment one of your staff by the name of [NAME]. I called this morning regarding the above. I am a real novice when it comes to dealing with paperwork. [NAME] was amazing, she went through all of the forms with me step by step. Please tell her I am so grateful for her help and support, she certainly needs recognition.

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.

Officers recognise it is important not to wait for all this consultation and guidance. 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. Officers understand the Pensions Dashboard will go live during 2023 and officers will provide further details to Members in due course.

2.3 *Overseas Pension Payments*

During March 2022 officers worked together with the Pension Fund’s current overseas payment provider, Western Union (WU), resulting in the issue of a “Pre-Existence Letter” to

168 pensioner and dependant scheme members (“the payee”) who receive their monthly pension payment to an account in the country and currency of their residence.

The Pension Fund currently pays in the region of £782,000 of annual pension payments to overseas accounts using the services of WU. In an effort to detect and prevent any fraudulent payments this project will require the payee to present themselves in person at their nearest local WU Bureau Station together with a form of photographic identification.

The “Pre-existence Letter” set out to the payee the reasons for the project being undertaken and to make them aware a further letter will follow during week commencing Monday, 18 April 2022 and confirming the nearest local WU Bureau Station to their address.

The project has received a positive response from the payees Officers contacted with 134 attending their nearest WU Bureau Station as instructed, a reminder letter is due to be sent to remaining 32 payees. There have been two payees actively contact Officers with a subsequent arrangement made for them to complete and return a Life Existence Certificate.

Officers understand the monthly pension payment is a key part of the payee’s quality of life and will therefore always take careful and considered action before suspending the monthly pension payments of those payees who do not provide photographic identification.

2.4 Year End 2021/2022

Officers are pleased to report all year end processes are complete for the period from 1 April 2021 to 31 March 2022 with Annual Benefit Statements made available to all active and deferred Scheme members via the ‘my pension ONLINE’ service.

A total of 1,316 paper copies will be posted to active Scheme members during August whilst 2,087 paper copies were posted to deferred Scheme members during May. The total number of paper copies posted represents 6.30% of the combined active and deferred membership.

With the successful completion of Year End 2022 Officers were able to extensively cleanse and provide all membership data extracts to the Actuary, Barnett Waddingham, on 27 June 2022, this being three days before the agreed date.

2.5 Berkshire Pension Fund Website and other Communication

Officers are only too aware of the need to ensure Scheme employers and their Scheme members are kept, more than ever before, up to date about all changes to the Scheme that impact on them, delivering news about such changes quickly and efficiently.

Officers have begun looking at driving changes to the communication work that they do, this includes reviewing and developing the Pension Fund website to further improve on existing functionality, all aimed at improving engagement with Scheme employers and their Scheme members. This whilst targeting those Scheme members who are yet to register for ‘my pension ONLINE’ and encourage those that still receive a paper copy Annual Benefit Statement to move online.

Officers look to complete such a project by 31 March 2023.