

Report Title:	Statutory Policies
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 – 18 September 2023
Responsible Officer(s):	Damien Pantling, Head of Pension Fund
Wards affected:	None

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REPORT SUMMARY

This report brings back to the Committee, two statutory policy documents for periodic review in compliance with the Local Government Pension Scheme Regulations (2013). The Communications strategy and the Administration Strategy were last reviewed and approved by the Pension Fund Committee in October 2022.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That the Pension Fund Committee notes the report;

- i) Approves the revised Communications Strategy Statement as set out in Appendix 1 to this report; and**
- ii) Approves the revised Pensions Administration Strategy Statement as set out in Appendix 2 to this report.**

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 and 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 increased 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 3 of this report.
- 2.3 In addition to complying with 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.

- 2.4 Regulation 59 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 activities. The revised Pension Administration Strategy (appendix 2) addresses the key points stipulated in the regulations.
- 2.5 Where a statement is prepared by the Administering Authority, the Regulations require that the statement must be published following any change in any matters referred to in the policy. A summary of the key changes is provided in the key implications part of this report.

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 Aside from a general refresh of the Communications Strategy and updating various provisions to be consistent with other approved policy statements (such as the Funding Strategy Statement), a general summary of changes is noted as follows:
 - 3.2.1 Implementation of a paperless policy, mandating digital communications as a standard with a few exceptions (P60s, Payslips, Retired Member newsletters and pensions increase letters) where there are notable benefits associated with the provision of paper communications.
 - 3.2.2 Providing members with the opportunity to opt out of paper communications (or opt into paperless communications) for those areas that paper is still provided as a default.
 - 3.2.3 Reducing paper payslip production whilst reducing the number of member queries by sending payslips to all members in April, skipping the month of May and providing payslips to members thereafter following £1 net pay change month on month. (Previously, payslips were sent to all members in both April and May)
 - 3.2.4 Combining pension increase letters with the spring member newsletter (the Scribe)
 - 3.2.5 Implementing the official E-P60 production module so that members can access these directly through the online communication portal, enabling the move towards full paperless communication in this area in the future.
- 3.3 The main implications of the above changes are a significant reduction in paper communications, thus environmental and sustainability benefits, and the associated cost savings that come from reduced paper, printing, postage and resourcing commitments.

- 3.4 The demographic make-up and age profile of our membership was considered in revising the Communications Strategy, understanding that digital accessibility may not be reflective of the general population. Thus, at all points, members are given the option to request paper communications where appropriate.
- 3.5 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.
- 3.6 Aside from a general refresh of the Pensions Administration Strategy and updating various provisions to be consistent with other approved policy statements (such as the Funding Strategy Statement), a general summary of changes is noted as follows:
 - 3.6.6 Inclusion of the Pensions Administration Service Level Agreement (SLA) in the strategy as opposed to a standalone document, due to the requirement for overlap and consistency between the two documents. In effect, the SLA enforces the Administration Strategy.
 - 3.6.7 Updating the Pensions Administration Strategy (including the SLA) to reflect the new pass-through provisions in effect from 1 April 2023.
 - 3.6.8 Consolidating the strategy so that the requirements of the Scheme Administrator and the Administering Authority are merged on the basis of the Fund not outsourcing this service.
 - 3.6.9 Update of the objectives to ensure consistency with other fund policies and statements including the annual business plan.
 - 3.6.10 Updated to ensure consistency with the updated communications strategy and other strategy and policy documents updated since the last review in October 2022.

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 reduced use of paper, printing, postage and staff-time resources. These savings have been reflected in the annual budget set in March 2023 and shall be reported in the budget outturn in March 2024.
- 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 and combining this with the Pensions Administration Strategy.

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 this report, with any relevant changes considered and documented as appropriate in the quarterly 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. 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. An Equality Impact Assessment (EQIA) screening exercise has been completed and approved in respect of this this report and shared with the RBWM Equalities team. It has been determined through the EQIA screening that a full EQIA is not required and is therefore not appended with this report.
- 7.3 Climate change/sustainability: The paperless and reduced-paper approaches detailed in the Communications Strategy generally have a positive impact on sustainability and environmental initiatives.
- 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 relevant risk report to the Committee along with the relevant mitigations.

8. CONSULTATION

- 8.1 No external consultation has been undertaken in regard to the review of these policies.

9. TIMETABLE FOR IMPLEMENTATION

9.1 Immediate

10. APPENDICES

10.1 This report is supported by 2 appendices:

- Appendix 1: Communications Strategy Statement
- Appendix 2: Pensions Administration Strategy Statement

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>			
Elizabeth Griffiths	Executive Director of Resources (Section 151 officer)	n/a	n/a
Elaine Browne	Deputy Director of Law and Governance (Monitoring Officer)	30/08/2023	
<i>Deputies:</i>			
Andrew Vallance	Deputy Director of Finance (Deputy Section 151 officer)	30/08/2023	01/09/
Jane Cryer	Principal Lawyer (Litigation) and Deputy Monitoring Officer	30/08/2023	
<i>Other consultees:</i>			
Cllr Simon Bond	Chairman – Berkshire Pension Fund Committee	30/08/2023	
Alan Cross	Chairman – Local Pension Board	30/08/2023	

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