

# PENSION ADMINISTRATION STRATEGY STATEMENT



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## 1. INTRODUCTION

This Pensions Administration Strategy ('the Strategy') is formulated by the Royal Borough of Windsor and Maidenhead in its role as the Administering Authority for the Royal County of Berkshire Pension Fund (the Fund) in accordance with Regulation 59 of the Local Government Pension Scheme Regulations 2013. This policy was initially developed in consultation with Scheme employers within the Fund.

1 April 2015 was a key milestone in the governance arrangements of the Local Government Pension Scheme (LGPS) as from that date the Pensions Regulator (tPR) took responsibility for setting standards of administration and governance on all administrative aspects of the Scheme. In addition, the local Pension Board now has an independent scrutiny role in assisting the Royal Borough of Windsor and Maidenhead ('RBWM') as the Administering Authority to the Fund, with its regulatory compliance, effective and efficient administration and governance of the Fund.

The LGPS Regulations 2013 allow the Pension Fund Administering Authority (sometimes referred to as the Scheme Manager) to prepare a Pension Administration Strategy for the purpose of improving the administrative processes within their LGPS Fund. This Strategy replaces any earlier versions and ensures the governance and administration requirements of tPR are properly addressed as they fall to the Fund and its Scheme employers.

### 1.1. Strategic Aims

The aim of this Strategy is to continue progress towards a seamless, automated pension service, employing appropriate technologies and best practice which both significantly improve the quality of information and the speed with which it is processed to provide better information and efficiency for Scheme employers, members and other stakeholders. It outlines, in conjunction with the Pension Administration Service Level Agreement (Annex 1), the quality and performance standards expected of all Scheme Employers and Admission Bodies within the Fund.

The Strategy is designed to be a road map as to how the highest standards of administration can be achieved by adopting the most efficient and cost-effective practices thereby ensuring a consistent approach to pension administration across all Scheme employers in partnership with the Fund, so that all Scheme members ultimately receive the highest standard of service in the most efficient and effective manner.

The strategic aims and objectives contained within this strategy document reflect and summarise those included in the Fund's annual business plan, where further detail can be found on the Fund's wider strategic intent, mission statement, aims, values, objectives, initiatives and targets if required.

## 1.2. Legislative Framework

The Fund and its Scheme employers must have regard to this Strategy when carrying out their Scheme administration functions. This Strategy has been made in accordance with Regulation 59 of the LGPS Regulations 2013 which allows the Administering Authority to prepare a Pension Administration Strategy following consultation with its Scheme employers to facilitate best practices and efficient customer service.

As part of Regulation 59 all of the following matters are to be considered to ensure that the aims of this Strategy are achieved:

- Procedures for liaison and communication between the Administering Authority and its Scheme employers with the aim of clarifying the roles and responsibilities of both the Administering Authority and the Scheme employers in administering the LGPS.
- Compliance with statutory requirements setting out clear procedures which aim to secure that the Administering Authority and its Scheme employers comply with those statutory requirements and with any agreement about levels of performance.
- Procedures for improving the flow of communication between the Administering Authority and its Scheme employers to enable the Scheme functions to be carried out effectively and efficiently.
- Establishment of levels of performance that both the Administering Authority and its Scheme employers are expected to achieve including the setting of performance targets, the making of agreements about levels of performance and associated matters and such other matters as the Administering Authority considers appropriate.
- Procedures for producing performance statistics and the publication of an annual report dealing with the extent to which the Administering Authority and its Scheme employers have achieved the levels of performance established.
- Production of a Pension Administration Service Level Agreement (SLA) setting out the various responsibilities of the Administering Authority (on behalf of the Pension Fund) and the Scheme employer with workflows being monitored and findings reported to the Berkshire Pension Fund Committee, Pension Fund Advisory Panel and Local Pension Board as part of an Administration report. All Scheme employers are required to accept the Pension Administration Service SLA as part of the admission agreement (or equivalent) process when joining the Scheme, For Scheme employers without an admission agreement explicitly in place, the SLA is still applicable (agreement implied by joining the Scheme)
- Circumstances for issuing notices of underperformance under Regulation 70 of the Local Government Pension Scheme Regulations 2013 (*Additional costs arising from Scheme employer's level of performance*) on account of the Administering Authority considering that a Scheme employer's performance in carrying out its Scheme functions has been unsatisfactory and associated matters as considered appropriate.

In addition to the above, the Administering Authority has the power to consider any other matters that it believes to be appropriate for inclusion in this strategy and will consult with its Scheme employers and such other persons as required.

## 2. KEY OBJECTIVES

The key objectives of this Strategy align with the Pensions Regulator’s [‘Code of Practice No. 14 – Governance and Administration of Public Service Pension Schemes’](#) and the Pensions and Lifetime Savings Association’s (PLSA) [‘Best practice guide for employers participating in the LGPS’](#) and these objectives are designed to ensure that:

- The Fund and Scheme employers are aware of and understand their respective roles and responsibilities under the LGPS Regulations and in the delivery of administrative functions (largely defined in the Pension Administration SLA);
- The Fund operates in accordance with LGPS Regulations and is aligned with tPR requirements in demonstrating compliance and Scheme governance;
- Communication processes are in place to enable both the Fund and Scheme employers to proactively and responsively engage with each other and other stakeholders;
- Accurate records are maintained for the purpose of calculating pension entitlements and Scheme employer liabilities, ensuring all information and data is communicated accurately, on a timely basis and in a secure and compliant manner;
- The Fund and Scheme employers have appropriate skills, and that training is in place to deliver a high-quality service and effectively contribute to the changing pensions agenda;
- Standards are set and monitored for the delivery of specified activities in accordance with LGPS Regulations and minimum standards set out throughout the Pension Administration Service Level Agreement;
- The Fund and Scheme employers operate a clear and transparent risk management strategy and monitor closely the employer’s ongoing participation in the Fund;
- All payments made to the Pension Fund from the Scheme employer are received within required statutory deadlines.

The key aims and objectives for the Fund and its administration service are provided in the 2023/24 Business plan and can be summarised as follows.

<b>Business Aim</b>	<b>Business Objective</b>
Stakeholder Satisfaction	To deliver an effective pension service that meets the expectations of Scheme members and other stakeholders as measured by a low number of complaints and adherence to agreed KPIs.
Value for Money	To set an investment strategy that achieves the medium-term investment return objective. Achieve value for money in all contracts. Manage all other direct Fund costs associated with the Fund and paying pension benefits. To ensure we always remain compliant with legislative and regulatory requirements, avoiding any financial penalties or negative publicity, identifying and reducing business risks and minimising any negative internal and external audit comments and feedback.
Equip Ourselves for the Future	To manage staff effectively in order to deliver high levels of morale, ensuring all staff are effectively performance managed and developed. To transform, develop and improve the Pension Team through creating an evidence-based continuous improvement culture and ensuring that all agreed projects and other initiatives are delivered to time and budget and achieve the expected benefits.
Delivering Together	To work together with Elected Members to deliver the goals and objectives of the Pension Fund Committee, to be measured by positive feedback from Lead Members.

### 3. ACHIEVING THE OBJECTIVES

There are currently (at June 2023) 346 Scheme employers in the Fund differing in size, structure and capability which represents a significant logistical challenge to the management of information, processes and services within the Fund. As the number of Scheme employers within the Fund grows as does the demand for more accurate and timely information especially with the introduction of the Career Average Revalued Earnings (CARE) Scheme from 1 April 2014. This information is also vital to ensure that Scheme employer liabilities are accurate, and that funding targets and employer contribution rates reflect the correct position. Furthermore, tPR has introduced higher levels of compliance and the Fund has a duty to report breaches of the Regulations where they are considered to be of material significance to the Fund.

This strategy applies not only to existing Scheme employers but will also apply to all new future employers of the Fund. Schools (other than Academies, Free Schools and University Technical Colleges (UTCs)) are included under the Local Education Authority (LEA) of the relevant Council even if they have their own payroll or have outsourced it to a third party.

To assist with compliance in all areas of administration and governance the Fund is committed to obtaining accreditation with the Pensions Administration Standards Association (PASA). PASA has been created from within the pensions industry to become the body to set meaningful pension administration standards, assess compliance with those standards and act as a focal point for Government and the pensions industry on matters relating to pension administration. PASA is focused on three core activities:

- defining good standards of pension administration relevant to all providers, whether in-house or third party;
- publishing guidance to support those standards; and
- being an independent accreditation body, assessing the achievement of good standards for Scheme members and sponsors.

In order to achieve accreditation, the Fund is committed to producing clear, understandable and achievable desktop procedures for all areas of administration that will form the basis for ensuring full compliance with statutory obligations and tPR requirements.

The Fund aims to provide clear, relevant, accurate, accessible and timely information to all of its stakeholders. The Fund's communication strategy is already well developed providing a wide range of solutions for all types of communication. However, with the increasing number of Scheme members and Scheme employers there is an increasing need for information and so the Fund is continually developing its communications strategy by embracing technology in a number of key areas.

The Pension Fund [website](#) is regularly reviewed and provides all stakeholders with a single access point to relevant services and information.

A dedicated Scheme employer area of the [website](#) is maintained which includes (but is not limited to):

- General guidance and information on procedures for administering the Local Government Pension Scheme;
- Employer bulletins (*'Inscribe'*) used to communicate current issues pertaining to the Scheme;
- Copies of all standard forms (on-line where possible) to be used by Scheme employers when providing information to the pension administration team;
- Copies of all publications issued by the Administering Authority including Scheme member newsletters, Scheme guides and factsheets;
- A link to the LGPS Regulations, LGA Circulars, DLUHC (Department for Levelling-Up, Housing and the Communities) Guidance, tPR Guidance and all relevant consultation documents.

Pension administration relies largely on information supplied to the Administering Authority by its Scheme employers. It is therefore key that Scheme member records are maintained to a high standard so that information provided by the Fund to its Scheme members is accurate and up to date at all times.

The pension administration team is contactable during normal office hours on 01628 796668 although direct dial numbers are provided to all Scheme employers. An office e-helpdesk is also available at: [info@berkshirepensions.org.uk](mailto:info@berkshirepensions.org.uk).

Each Scheme employer must nominate a Pension Liaison Officer (PLO) to deal with initial enquiries received from the Administering Authority. If preferred a number of officers can be nominated (up to a maximum of 4) by the Scheme employer as part of the Pension Administration Service Level Agreement, provided that their specific responsibilities are identified (e.g., HR or payroll; formulating policy statements; ensuring payment of monthly contributions and submitting returns). The Scheme employer will inform the Administering Authority immediately if these details are amended in any way. Furthermore, the PLO(s) will be responsible for ensuring that Pension Fund communications are disseminated to all relevant officers in their organisations who have responsibility for any part of the process in administering the LGPS e.g., payroll officers, HR advisors, Heads of Department and other Senior officers, School Business Managers.

The Administering Authority will maintain a schedule of PLOs and ensure that all staff concerned with pension administration use the contact details provided by the Scheme employer.

Further information on the Fund's liaison and communication activities and processes can be found in the Fund's communication strategy.

### 3.1. Legislative framework and compliance with statutory requirements

In carrying out their roles and responsibilities in relation to the administration of the LGPS, the Administering Authority and Scheme employers will, as a minimum, comply with the statutory Scheme regulations and associated legislation. These include (but are not limited to) the following regulations and any amendments thereto:

- The LGPS Regulations 2013 (as amended)
- The LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014
- The Public Service Pensions (Record Keeping and Miscellaneous) Regulations 2014
- The Public Service Pensions Act 2013
- The Automatic Enrolment (Miscellaneous Amendment) Regulations 2013
- The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013
- The Pensions Regulator Code of Practice Number 14 (Governance and administration of public service pension Schemes)
- Earlier versions of the LGPS Regulations as they remain in force and relate to current and former Scheme members.
- The Pensions Acts 1995, 2004, 2008
- The Finance Act 2004
- Various related statutory instruments (Government Data Protection Regulation (GDPR), Freedom of Information, Data Subject Access Request, Age Discrimination etc.)

The legislative framework under which this Strategy has been developed is provided above and detailed in ANNEX 2 to this strategy document. It is vital that every Scheme employer understands the statutory obligations under which they must fulfil their duties in administering the LGPS. This Strategy and associated Service Level Agreement (SLA) sets out agreed quality standards and the methods by which levels of performance will be monitored, reviewed and reported to ensure that those statutory obligations are maintained in line with the requirements of tPR.

The Fund is committed to providing the necessary tools to enable Scheme employers to meet their statutory obligations thereby continually improving the service that Scheme members receive at the same time as reducing, and ultimately eradicating, the risk of intervention from, and possible sanction by, tPR.

The Fund is also subject to a statutory annual external audit of its processes and internal controls. The Fund and its Scheme employers are expected to fully comply with any requests for information from both internal and approved external auditors. Any subsequent recommendations made will be considered by the Fund and, where appropriate, duly implemented, following discussions with Scheme employers where necessary.

### 3.2. Improving the flow of communication

As mentioned in section 1.1 the strategic aim of the Fund's administration function is to provide a seamless, automated pension service by employing appropriate technologies and best practice to ensure the most effective and efficient service is provided to all of its stakeholders. The key principle is to identify the customer needs and attempt to provide this in the most efficient way.

The Fund will continue to invest and use IT solutions to assist Scheme employers with the delivery of timely and accurate data. To this end the Fund is committed to working with Scheme employers in implementing and using i-Connect, a secure electronic data transfer system, as the method by which pension data is transferred between the Scheme employer and the Administering Authority.

i-Connect provides many benefits for both the Scheme employer and the Fund that support the strategic aim of improving the flow of communication and ultimately the levels of performance:

- Data is encrypted and submitted in real time on each occasion that a payroll is run meaning that, not only is data transmitted securely, but Scheme members also have instant access to the most up to date membership information;
- The need for Scheme employers to complete paper forms, spreadsheets and year-end returns is removed;
- All membership data is submitted at the correct time thereby ensuring that no data is missing and eliminating the risk of data inputting errors;
- All data protection requirements are met, and security risks are significantly reduced;
- Instant reconciliation of Scheme contribution payments;
- Addresses auto-enrolment obligations thereby minimising the risk of fines from tPR;
- Automatically maintains membership data in line with the requirements set out in Record-Keeping regulations and to the standard required by tPR.

The Fund aims to have all Scheme employers employing at least 10 Scheme members to be using i-Connect by March 2024. Discussions will be held with the remaining Scheme employers to determine the best course of action whether that be to use a manual input process to i-Connect or a continuance of manual input.

An annual meeting is held to which all Scheme employer PLOs are invited in accordance with the Administering Authority's Communications Strategy Statement.

Furthermore, the Fund will issue regular Scheme employer bulletins ('Inscribe') and issue at least one employer survey per year the outcome of which will be used to further improve communications and administration procedures. Further information on the Fund's liaison and communication activities and processes can be found in the Fund's communication strategy.

### 3.3. Establishment of levels of performance (including the SLA)

The use of time and accuracy-based SMART targets are vital in delivering a high level and cost-effective service whilst complying with statutory obligations.

In establishing acceptable levels of performance, the Fund has tried to ensure that these targets strike a balance between allowing for each Scheme employers' other work pressures and the minimum turnaround times the Fund requires to ensure its system is as up to date as possible. By keeping pension systems up to date, the Fund is able to significantly reduce pension related workloads for both the Fund and the Scheme employer by avoiding the follow-on problems that can occur as well as improving the service provided to Scheme members.

The Fund has developed a Service Level Agreement (SLA) at ANNEX 1 to this report in consultation with Scheme employers, which sets out specific targets that apply to all Scheme employers and the Fund in respect of all pension administration processes. It should be noted that many of the targets are set to ensure compliance with statutory requirements that already exist.

For some smaller Scheme employers, and for areas other than benefit administration, the amount of data typically collected will be too small to assess and report on statistically in a meaningful way. However, these targets will still apply and be considered on a case-by-case basis, particularly where the performance (underperformance) of the Fund or the Scheme employer falls well outside the prescribed targets. In these circumstances the appropriate action will be taken where necessary.

#### 3.4. Procedures for producing performance statistics.

The Pensions Regulator requires a Scheme Manager (Administering Authority) to keep records of information pertaining to Scheme member data across all membership categories and the Pension Board plays an independent scrutiny role to assist the Scheme Manager with regulatory compliance and has the authority to report any serious concerns to tPR.

Assessment of the levels of administrative performance requires that agreed performance standards are monitored regularly. The level of performance will be included in the Pension Fund's annual report and accounts and reported back to Scheme employers at the annual Scheme employer meeting. A Performance Report will contain the key areas of performance setting out the total number of notifications received against the number received within the prescribed timescale set out in the agreed Service Level Agreement. In order to measure the efficiency of service processes the following areas of administration will be reported:

- New Scheme joiners;
- Refund of pension contributions;
- Retirements – Active and Deferred Scheme members;
- Deaths – Active, Deferred and In Payment Scheme members;
- Payments of contributions (including receipt of monthly schedules);
- Settlement of invoices;
- Year-end returns;
- Scheme member complaints.

The Fund will work with Scheme employers to ensure that overall quality and timeliness is improved and will identify any problem areas and devise an action plan designed to improve service delivery.

The Fund will also present an Administration Report at all meetings of the Pension Fund Committee, Pension Fund Advisory Panel and Pension Board in which the performance of all Scheme employers (and that of the Fund) will be scrutinised and remedial actions considered.

tPR imposes a statutory obligation upon an Administering Authority and the Pension Board to report failures which are likely to be of material significance. All breaches of statutory requirements must be recorded in the breaches log and be reported to the Pension Fund Committee, Pension Fund Advisory Panel and Pension Board. This log may also be published on the Pension Fund [website](#) and in the Fund's Annual Report. Where there is a material breach

which represents a reportable event to tPR then the Regulator would expect to see an improvement plan implemented to rectify this position.

### 3.5. Circumstances for issuing notices of underperformance.

The purpose of the Pension Administration Strategy is to secure improvement across the administrative processes of the Fund. Both the Fund and its Scheme employers need to play their part in meeting this objective. However, in areas of continuous poor performance the Fund has a statutory option to apply financial penalties and may ultimately do so but only as a matter of last resort.

In accordance with Regulation 59(2)(e) of the Local Government Pension Scheme Regulations 2013, an Administering Authority has to consider the circumstances in which it may give a written notice to any of its Scheme employers under Regulation 70 of those Regulations (additional costs arising from Scheme employer's level of performance), on account of the Scheme employer's unsatisfactory performance in carrying out its Scheme functions when measured against levels of performance established in accordance with this Pension Administration Strategy and associated Pension Administration Service Level Agreement.

The Fund will remind PLOs of the key targets on occasion and where individual cases are found to be outside of the performance targets set, the Fund will provide the Scheme employer with case-tracking information to help the employer understand if structural or procedural changes need to be made.

However, where persistent failure occurs and no improvement is demonstrated by the Scheme employer and/or unwillingness is shown by the employer to resolve the identified issue, the Fund will contact the PLO for the employer to discuss the area of poor performance and to find a satisfactory solution. Where the poor performance continues, a formal written notice will be issued to the employer and escalated to a senior officer for action.

The following are circumstances upon which the Administering Authority will issue written notices of unsatisfactory performance:

- Where, in the opinion of the Administering Authority, it has incurred additional costs as a result of a Scheme employer's unsatisfactory performance, the Administering Authority will give a written notice to the Scheme employer setting out the reasons for forming its opinion and specifying the amount the Administering Authority has determined the Scheme employer should pay in accordance with Regulation 69(1)(d) and the basis upon which the amount has been calculated;
- Where a Scheme employer fails to make payment of employee and employer contributions by the 19<sup>th</sup> of the month following the period in relation to which the contributions were deducted;
- Where a Scheme employer persistently fails to provide the necessary documentation in support of the contribution payment;
- Where a Scheme employer has failed to settle an invoice for any additional costs arising as a result of their early retirement decisions within the prescribed 21-day deadline;
- Where a Scheme employer has failed to notify the Administering Authority that one of its employees has become entitled to the release of their pension benefits and, as a result of which, payment of any lump sum is made later than 30 calendar days from the date that pension benefits become payable.

On each occasion that any notice of unsatisfactory performance is issued it will be included in the Administration Report presented at meetings of the Pension Fund Committee, Pension Fund Advisory Panel and Local Pension Board.

Where the Pension Fund has become liable to pay interest due to the unsatisfactory performance of a Scheme employer, consideration will be given to charging that interest payment to the appropriate Scheme employer.



Interest will be calculated in accordance with Regulation 71 of the Local Government Pension Scheme Regulations 2013 (one per cent above the BOE base rate on a day-to-day basis from the due date to the date of payment and compounded with three-monthly rests).

The Administering Authority will assist the Scheme employer to resolve any issues but where persistent failure by a Scheme employer to meet payment deadlines can be evidenced, or where a Scheme employer continually fails to meet statutory requirements and/or the performance standards set out in the Pension Administration Service Level Agreement, further consideration will be given to whether or not that Scheme employer should be reported to the Pensions Regulator in line with Code of Practice number 14, 'Governance and Administration of Public Service Pension Schemes'.

Should the Fund incur any fine or charge for breach of its statutory duties which is as a result of a Scheme employer's performance failure, the Fund reserves the right to require the Scheme employer to reimburse it within 21 days of the fine or charge having been received by the Fund.

It is vital that all Scheme employers ensure that appropriate record-keeping is maintained and where they outsource their payroll, HR or pension administration functions to a third party, that the Scheme employer is clear that the legal responsibility for the provision of pension data to the Administering Authority lies with the Scheme employer and not the third party. Scheme employers must therefore ensure, as part of any contract entered into with a third party, that the third party has sufficiently robust processes in place to fulfil the statutory duties of the Scheme and the performance levels set out in the Pension Administration Service Level Agreement.

See ANNEX 3 for a schedule of notices of unsatisfactory performance that may be provided by the Fund.

### 3.6. Disputes

The Fund has a clear internal disputes resolution procedure (IDRP) set out for Scheme members of the LGPS which can be found on the Pension Fund's [website](#). Scheme employers are, however, required to nominate an adjudicator to deal with disputes at stage 1 of the process. Scheme employers are asked to supply the details of their stage 1 adjudicator as part of their discretionary policy statement and should advise the Fund immediately of changes made in this regard.

Where a Scheme employer is formally disputing a decision or action taken by the Fund, the Fund will in the first instance attempt to resolve the matter internally and may seek an independent senior mediator from within RBWM as the Administering Authority to make a final internal determination. Should this prove to be unsuccessful, a suitable, mutually agreeable and independent third party shall be appointed to determine the outcome of the matter.

## 4. REVIEW AND CONSULTATION PROCESS

The Fund will review this Strategy to ensure it remains up to date and meets the necessary regulatory requirements at least triennially. A current version of the Strategy will always be available on the Pension Fund [website](#) for interested party perusal.

In preparing this Strategy the Fund has consulted with Scheme employers and other persons considered appropriate. Where it is necessary to make material revisions to the Strategy all Scheme employers will be notified of the changes and advised where they can obtain a copy of the revised strategy.

In line with best practice, this document shall be reviewed and refreshed at least triennially and taken to the Pension Fund Committee for approval even with no material changes at each review.

## ANNEX 1

### PENSIONS ADMINISTRATION SERVICE LEVEL AGREEMENT (SLA)

#### 1) DEFINITIONS

For the purpose of this Service Level Agreement:

**"Administering Authority"** means the Royal Borough of Windsor & Maidenhead as Administering Authority to the Royal County of Berkshire Pension Fund;

**"Scheme Employer"** means a 'scheduled' or 'admitted' employer to the Royal County of Berkshire Pension Fund;

**"i-Connect"** means a secure electronic data transfer interface operated between the Scheme Employer and the Administering Authority.

#### 2) THE REGULATIONS – AFFECT ON AGREEMENT

This agreement sets out, for administrative convenience, the manner in which certain duties and responsibilities of both the Administering Authority and the Scheme Employer are expected to be carried out. It does not override any provision or requirement in the Regulations outlined below or any overriding legislation. The intentions of the Regulations in their application to members, potential members, deferred members and retired members must at all times be complied with.

The Regulations forming the basis of this agreement are as follows:

- The Local Government Pension Scheme Regulations 2013 (S.I. 2013 No. 2356) (referred to as the Scheme Regulations) and any amendments thereto;
- The Local Government Pension Scheme (Transitional Provisions, Savings & Amendment) Regulations 2014 (S.I. 2014 No. 525) (referred to as the Transitional Regulations) and any amendments thereto;

Plus

- Those saved provisions in previous Regulations that remain extant and have not been revoked.

#### 3) ADMINISTRATIVE PROCEDURES – GENERAL

##### a) Access to Information

A Scheme Employer's section of the Royal County of Berkshire Pension Fund [website](http://www.berkshirerpensions.org.uk) ([www.berkshirerpensions.org.uk](http://www.berkshirerpensions.org.uk)) is available to assist employers in administering the LGPS on behalf of its scheme members and to ensure that employers follow certain procedures and policies as covered by the scheme regulations and guidance as issued by the Administering Authority.

The Administering Authority may, from time to time as appropriate, inform and amend the [website](http://www.berkshirerpensions.org.uk) as required by changes to scheme regulations and the adaptation of procedures in order to adopt these changes and/or improve the administration of the scheme.

##### b) Employer Bulletins

The Administering Authority will issue employer bulletins ('*Inscribe*') as required and post these to the employers' section of the [website](http://www.berkshirerpensions.org.uk). These bulletins will be the method by which the Administering Authority will, in general, keep Scheme Employers up to date with important changes to the scheme and any issues relating to the LGPS of which the employers need to be informed. A global e-mail will be sent to all Scheme Employer Pension Liaison Officers notifying them when a new bulletin is posted to the [website](http://www.berkshirerpensions.org.uk).

##### c) Pension Liaison Officer

The Scheme Employer shall nominate a person who will be responsible for pension matters and who will act as the Administering Authority's primary contact with the Scheme Employer. The name, job title and contact details of the nominated Pension Liaison Officer are shown at Appendix A of this agreement. Should the Scheme employer wish to nominate more than one Pension Liaison Officer (up to a maximum of

4) the above details in respect of each of those officers must be given at Appendix A along with a description as to each officer's specific responsibilities.

**d) Responsible Officers**

Any documents and/or instructions received from the Scheme Employee by the Administering Authority must be submitted by a responsible officer (PLO). Where documents are submitted in a paper format, they must be signed by a signatory that is recognisable to the Administering Authority. Where data is submitted electronically it will be accepted by the Administering Authority on the understanding that the data has been submitted by a responsible officer authorised by the Scheme Employer. Only information which has been authorised by a recognised responsible officer will be actioned by the Administering Authority.

Any proposed change to the Pension Liaison Officer(s) must be notified to the Administering Authority immediately.

It is the responsibility of the Scheme Employer to ensure that details of their Pension Liaison Officer(s) are correct at all times.

**e) Review and Variation of this Agreement**

From time to time, those responsible for the services set out in this agreement may wish to undertake a review of the services provided by the Scheme Employer and the Administering Authority. The review will be held in the form of an in person or virtual meetings of those officers responsible for the services set out in this agreement.

Following any discussion and review, any party to this agreement may notify any other in writing with suggested changes to this agreement.

**4) SCHEME EMPLOYER RESPONSIBILITIES**

**a) Duties - General**

The main duties of the Scheme Employer are:

- i) To decide who is eligible to become a member of the Scheme and the date from which membership of the Scheme commences;
- ii) To decide whether that person is employed in a full time, part time or variable time capacity. If the employee is part time the Scheme Employer must also determine the proportion which the employee's contractual hours bear to the hours of a comparable full-time employee and the proportion which the employee's contractual weeks bear to a whole year (52.143);
- iii) To determine an employee's pay for the purposes of calculating pension contributions. NB: a Scheme Employer can specify in an employee's contract what other payments or benefits are to be pensionable, other than those automatically pensionable under Regulation 20(1)(a) or (b) of the Scheme Regulations and which are not otherwise precluded from being pensionable by virtue of Regulation 20(2) of the Scheme Regulations;
- iv) To determine the employee contribution rate payable in respect of each post held by their scheme members in accordance with Regulation 9 of the Scheme Regulations;
- v) To administer appropriately a Scheme member's election to move between the MAIN and 50/50 sections of the Scheme and to provide full and accurate information to the Administering Authority.
- vi) To determine final pay for the purposes of calculating benefits due from the Scheme for membership built up to 31 March 2014 and beyond (following implementation of the Mccloud remedy);
- vii) To determine actual pensionable pay each year (1 April to 31 March) for the purposes of calculating pension benefits due from the Scheme for membership built up from 1 April 2014;
- viii) To determine assumed pensionable pay (APP) for the purposes of calculating accrued pension during periods of reduced or nil pay as a result of sickness or injury or child-related leave;

- ix) On the cessation of a Scheme member's membership of the Scheme to determine the reason for leaving and entitlement to benefit and notify the Administering Authority and the Scheme member of the decision;
- x) To supply timely and accurate information to the Administering Authority and the Administering Authority to enable the correct calculation of benefits payable from the Scheme;
- xi) To collect, pay over and account for the deduction of the correct rate of pension contributions payable by both the employee and the employer, including any additional employee contributions that the Administering Authority instruct the Scheme Employer to deduct;
- xii) Upon receipt of a notification from the Administering Authority of an employee's election to pay, vary the amount of or cease Additional Voluntary Contributions, to apply the notification accordingly and where applicable deduct from a member's pay and pay over to the specified AVC provider the contributions as instructed by the Administering Authority;
- xiii) Upon receipt of a notification from the Administering Authority of an employee's election to pay Additional Pension Contributions, to apply the notification accordingly and where applicable deduct from a member's pay and pay over to the Administering Authority, the contributions as instructed by the Administering Authority;
- xiv) To accompany any statement issued to a Scheme member relating to any decision made about the Scheme, with a notice drawing the Scheme member's attention to their right of appeal under the LGPS;
- xv) To use an Independent Registered Medical Practitioner (IRMP) qualified in Occupational Health medicine (who has been approved by the Administering Authority) in advising upon ill health retirement;
- xvi) To appoint an adjudicator to deal with any dispute raised by one of the Scheme Employer's Scheme members (or former Scheme members) at stage one of the Internal Disputes Resolution Procedures (IDRP);
- xvii) To produce, publish and keep under review an employer policy statement in respect of a number of discretions available to the Scheme Employer under the Scheme Regulations, Transitional Regulations and former Regulations as the case may be.

The above is a summary of the main duties of a Scheme Employer under the Scheme Regulations. In the event of doubt the Regulations must be consulted for clarification and will prevail in the event of any dispute.

**b) Duties – Specific; New Scheme Members**

Upon notification that an individual has entered an employment for which he or she is eligible for membership of the LGPS (under the age of 75 with a contract of employment of at least 3 months duration), the Scheme Employer shall contractually admit (\*see note regarding designation bodies) that individual to the LGPS unless a written election, signed and dated after the commencement of employment, has been received from the employee choosing not to join the Scheme.

**NOTE:** Where an individual elects to opt out of the LGPS upon appointment to a role that is eligible for contractual enrolment into the LGPS, the Scheme Employer must continue to monitor that individual every time that they run their payroll in order to assess whether or not that individual should be re-enrolled into the Scheme under the automatic enrolment legislation. Regardless of whether or not the individual is contractually enrolled or automatically enrolled into the LGPS the Scheme Employer must follow the same procedure, as set out below, for notifying the Administering Authority of a new scheme admission.

The Scheme Employer will notify the Administering Authority of a new scheme member admission by:

- i) Submitting a data file created from their payroll system to i-Connect, in the format specified by the Administering Authority, by the end of the month in which the new scheme member joins the Scheme or, if later, by the end of the month in which the new scheme member's details first appear on their payroll system;

or, where the Scheme Employer has yet to sign up to the Administering Authority's preferred method of member data transfer i.e., i-Connect, by

- ii) Submitting a spreadsheet containing the new scheme member details in the format specified by the Administering Authority to the Scheme Employer via [info@berkshirepensions.org.uk](mailto:info@berkshirepensions.org.uk) by the end of the month in which the member joined the Scheme or, if later, by the end of the month in which the new scheme member's details first appear on their payroll system;

or, where no alternative method of submission can currently be achieved, by

- iii) Completion of a starter form LGS15A as formatted by the Administering Authority (an up to date version of which will always be available on the Fund's [website](#)) sent as a pdf. file to [info@berkshirepensions.org.uk](mailto:info@berkshirepensions.org.uk) or (where all other forms of submission have been exhausted) in a paper format by the end of the month in which the new scheme member joined the Scheme or, if later, by the end of the month in which the new scheme member's details first appeared on their payroll system.

As part of the employee's appointment process the Scheme Employer will provide their employee with the current version of leaflet LGS1B (an up to date version of which will always be available on the Fund's [website](#)), providing a summary of the LGPS and what it can provide for its members. Upon receipt of the duly completed admission details a member record will be created on the pension administration system and an activation key sent to the Scheme member for access to 'mypension ONLINE' where they will find all relevant documentation (guides and forms etc.) required of a new Scheme member.

**\*NOTE: DESIGNATION BODIES (Schedule 2, Part 2 and Part 3 of the Regs)** – In accordance with LGPS regulations designation bodies can choose which employees or group of employees are eligible for membership of the LGPS. If any employee is not included in the employer's designation concerning eligibility for scheme membership, they cannot be admitted to the pension scheme unless the Scheme Employer amends their designation. This is particularly important now that the Workplace Pensions initiative requires all employers to offer a qualifying pension scheme to all of their employees (the LGPS being a qualifying pension scheme). If a Scheme employer designates any of their employees as not being eligible for membership of the LGPS an alternative pension scheme must be provided for those employees. To be a designation body the Scheme employer must be either a Schedule 2 Part 2 Scheme Employer (which includes parish, town and community councils) or an admission body (Schedule 2, Part 3).

#### **c) Duties – Specific; Contract Variations**

Where a Scheme member has a variation to their contract which will impact on the calculation of pension benefits, the Scheme Employer shall notify the Administering Authority of the change in membership status by

- i) Submitting a data file created from their payroll system to i-Connect, in the format specified by the Administering Authority, by the end of the month in which the contract variation takes effect or, if later, by the end of the month in which the contract variation first appears on their payroll system;

or, where the Scheme Employer has yet to sign up to the Administering Authority's preferred method of member data transfer i.e., i-Connect, by

- ii) Submitting a spreadsheet containing contract variation details in the format specified by the Administering Authority to the Administering Authority via [info@berkshirepensions.org.uk](mailto:info@berkshirepensions.org.uk) by the end of the month in which the contract variation took effect or, if later, by the end of the month in which the contract variation first appears on their payroll system;

or, where no alternative method of submission can currently be achieved, by

- iii) Completion of form [LGS15B](#) as formatted by the Administering Authority (an up-to-date version of which will always be available for download at sent as a pdf. file to [info@berkshirepensions.org.uk](mailto:info@berkshirepensions.org.uk) or (where all other forms of submission have been exhausted) in a paper format by the end of the month in which the contract variation took effect or, if later, by the end of the month in which the contract variation first appears on their payroll system.

#### **d) Duties – Specific; Leavers (No Entitlement to Immediate Release of Pension Benefits)**

Upon notification that a scheme member's period of employment has terminated or should a scheme member elect to opt out of the LGPS, the Administering Authority must be notified of all relevant information by the Scheme Employer.

The Scheme Employer will notify the Administering Authority of a scheme leaver by:

- i) Submitting a data file created from their payroll system to i-Connect, in the format specified by the Administering Authority, by the end of the month in which the scheme member leaves the Scheme or, if later, by the end of the month in which the scheme member is set as a leaver on their payroll system;

or, where the Scheme Employer has yet to sign up to the Administering Authority's preferred method of member data transfer i.e., i-Connect, by

- ii) Submitting a spreadsheet containing the scheme leaver details in the format specified by the Administering Authority to the Administering Authority via [info@berkshirerepensions.org.uk](mailto:info@berkshirerepensions.org.uk) by the end of the month in which the member leaves the Scheme or, if later, by the end of the month in which the scheme member is set as a leaver on their payroll system;

or, where no alternative method of submission can currently be achieved, by

- iii) Completion of a leaver form LGS15C as formatted by the Administering Authority (an up to date version of which will always be available on the Fund's [website](#)) sent as a pdf. file to [info@berkshirerepensions.org.uk](mailto:info@berkshirerepensions.org.uk) or (where all other forms of submission have been exhausted) in a paper format by the end of the month in which the scheme member leaves the Scheme or, if later, by the end of the month in which the scheme member is set as a leaver on their payroll system.

**NOTE:** Where a scheme member opts out of the scheme within the first three months of joining, the Scheme Employer MUST refund all contributions previously paid by the member to the member through the payroll system thereby automatically adjusting the Income Tax and National Insurance record of the employee. Any such payment if made by the Administering Authority would be deemed to be an unauthorised payment by HMRC and must therefore be paid by the Scheme Employer even where the 3-month period spans more than one financial year. On these occasions the Scheme employer is required to manually calculate the revised figures and manually amend their payroll where necessary.

**e) Duties – Specific; Retirements (Including Normal Age, Redundancy, Efficiency, Ill Health, Flexible and Voluntary Retirements)**

Once known that a scheme member is to retire (or that he or she has died), the Scheme Employer will notify the Administering Authority immediately either by email at [info@berkshirerepensions.org.uk](mailto:info@berkshirerepensions.org.uk) or by telephone on 01628 796668. This will enable the Administering Authority to contact the Scheme member (or next of kin/representative) and send out certain forms that the member (next of kin/representative) is required to complete before payment of their benefits can be made.

When submitting the leaver details to the Administering Authority, the Scheme Employer must ensure that all information as it relates to existing and former Scheme Regulations is supplied. Where the scheme leaver has scheme membership from before 1<sup>st</sup> April 2014 (or later as protected by the Mccloud remedy) they will be entitled to pension benefits based on final pay and, so that the Administering Authority can calculate the final salary benefits accurately, the Scheme Employer must supply a final pay figure based on the definition of final pay under the LGPS 2008 regulations:

- i) Best of the last 3 years calculated to date of leaving (or possibly best three-yearly average in the last 10 years calculated to 31<sup>st</sup> March);
- ii) Full-time equivalent rate of pay if the scheme member was employed on a part-time basis at the date of leaving; and
- iii) Pay excluding any non-contractual overtime payments received during the year.

In addition, the Scheme Employer must supply details of the CARE pay received since 1<sup>st</sup> April last year to the date of leaving.

**IT IS IMPORTANT TO NOTE THAT THE PENSION FUND'S SERVICE STANDARDS TO MEMBERS STATES THAT RETIREMENT LUMP SUMS WILL BE PAID WITHIN 30 CALENDAR DAYS OF RETIREMENT. IT IS ESSENTIAL THAT ALL RELEVANT INFORMATION IS SUPPLIED IN A TIMELY MANNER IN ORDER TO ACHIEVE THIS REQUIREMENT.**

**NOTE: ILL HEALTH RETIREMENTS**

In cases of ill health retirement, the Scheme Employer will arrange for their employee to undergo a medical with their chosen and approved Independent Registered Medical Practitioner (IRMP) qualified in occupational medicine, obtaining a certificate detailing whether in their opinion the member meets both conditions required of the Scheme Regulations:

**i) CONDITION 1**

As a result of ill-health or infirmity of mind or body, the Scheme member is permanently incapable of discharging efficiently the duties of the employment they were engaged in.

**ii) CONDITION 2**

As a result of ill-health or infirmity of mind or body the Scheme member is not immediately capable of undertaking gainful employment (employment at the rate of 30 hours per week for a continuous period of 12 months).

Where both conditions are met the IRMP will be required to indicate on the ill-health certificate whether the Scheme member qualifies for a Tier 1, Tier 2 or Tier 3 ill health retirement.

The Scheme Employer will, having considered the advice provided by their IRMP, decide the level of benefits payable.

Should the Scheme Employer at any time seek to appoint a different IRMP for the purposes of undertaking the responsibilities outlined in the Scheme Regulations, they must seek the approval of the Administering Authority before appointing the new preferred practitioner.

**f) Duties – Specific; Deaths**

The Scheme Employer will notify the Administering Authority of a scheme member's retirement or death by:

- i) Submitting a form [LGS15C](#) in the first instance prior to a data file created from their payroll system to i-Connect, in the format specified by the Administering Authority, by the end of the month in which the scheme member leaves the Scheme or, if later, by the end of the month in which the scheme member is set as a leaver on their payroll system; or,
- ii) where the Scheme Employer has yet to sign up to the Administering Authority's preferred method of member data transfer i.e., i-Connect, by completion of a leaver form LGS15C as formatted by the Administering Authority (an up to date version of which will always be available on the Fund's [website](#)) sent as a pdf. file to [info@berkshirerpensions.org.uk](mailto:info@berkshirerpensions.org.uk) or (where all other forms of submission have been exhausted) in a paper format by the end of the month in which the scheme member left the Scheme or, if later, by the end of the month in which the scheme member is set as a leaver on their payroll system.

**g) Duties – Specific; Payment of Contributions**

The Scheme Employer will ensure that the correct rate of employer contribution is deducted in accordance with the rates and adjustment certificate issued by the Fund Actuary as part of the triennial valuation of the Pension Fund. Where the Scheme Employer 'outsources' its payroll function to a third party the Scheme Employer is responsible for ensuring that notification of any change in the employer contribution rate is sent to their contracted payroll provider.

**NOTE:** Where a Scheme Employer has appointed a third-party payroll provider the Scheme Employer retains all the responsibilities required of them under the Scheme Regulations and they remain accountable for any failure by the third-party payroll provider to meet those requirements or the requirements set out in this service level agreement. A Scheme Employer must advise the Administering Authority of their payroll provider and any changes that may be made in this regard and ensure that their contractual arrangements with their appointed third-party payroll provider are sufficiently robust to avoid underperformance.

The Scheme Employer (or their appointed third-party payroll provider) will make payment of employee and employer contributions to the Administering Authority by the 19<sup>th</sup> of the month following the end of the month in which contributions have been deducted. ***(It should be noted that this is the legal requirement. However, contributions should always be submitted as soon as is practically possible. Remember, the contributions paid by scheme members are payments to the Pension Fund and not the revenue account of the Scheme Employer)***. Failure to make payment of the contributions within the statutory deadline will result in a notice of unsatisfactory performance being issued to the Scheme Employer in accordance with the Administering Authority's 'Pension Administration Strategy'.

Even where a Scheme Employer submits data via i-Connect to the Administering Authority updating contribution and membership details in real time, the Scheme Employer (or their appointed third-party payroll provider) MUST complete the contribution return spreadsheet as formatted by and in line with guidance issued by the Administering Authority giving full and accurate information. The Scheme Employer (or their appointed third-party payroll provider) will submit the spreadsheet to the Administering Authority's generic email address [lgps@rbwm.gov.uk](mailto:lgps@rbwm.gov.uk) by the 19<sup>th</sup> of the month in line with the contribution payment. Persistent failure to meet this deadline may result in the Scheme Employer being issued with a notice of unsatisfactory performance in accordance with the Administering Authority's 'Pension Administration Strategy'.

**NOTE: It is important that the Scheme Employer (or their appointed third-party payroll provider) ensures the correct month is completed in line with the 'tabs' at the bottom of the spreadsheet and that all relevant fields are completed each month prior to submission.**

***h) Duties – Specific; Other Conditions Relating to Contributions***

The Scheme Employer (even if they have appointed a third-party payroll provider) is responsible for ensuring that employee contributions are deducted from:

- i) Any pay received by a Scheme member during a period of statutory sickness;
- ii) Any pay received by a Scheme member during a period of child-related leave including half pay and SMP where appropriate; and

The Scheme Employer (even if they have appointed a third-party payroll provider) also remains responsible for ensuring that employer contributions are paid in full during:

- iii) any period of employment during which a Scheme member elects to contribute to the 50/50 section of the Scheme;
- iv) any period that a Scheme member receives reduced or nil contractual pay due to sickness or injury (based on the assumed pensionable pay calculation); and
- v) any period that a Scheme member receives reduced contractual pay as a result of child-related leave (based on the assumed pensionable pay calculation).

**NOTE:** Any actual pay paid by a Scheme Employer to a reservist during Reserve Forces Service Leave is not pensionable. Whilst on reserve forces service leave the employee and the Ministry of Defence pay contributions on the amount of Assumed Pensionable Pay.

***i) Duties – Specific; Absences***

Where a Scheme member is absent due to:

- i) a period of UNPAID child-related leave; or
- ii) a period of authorised absence,

the Scheme Employer will ensure that their employee is aware of their right to enter into a Shared-Cost Additional Pension Contribution contract within 30 days of returning to work in order to 'buy-back' any 'lost pension' due to being absent.

Where a Scheme member is absent due to a trade dispute (strike) the Scheme Employer will ensure that their employee is made aware of their right to enter into a Full-Cost Additional Pension Contribution contract in order to 'buy-back' any 'lost pension' due to being on strike. There is no 30 days requirement in this regard.

***j) Duties – Specific; Pensionable Pay and Assumed Pensionable Pay***

The Scheme Employer (even if they have appointed a third-party payroll provider) is responsible for ensuring that employee and employer contributions are deducted from all pensionable pay received by a Scheme member in accordance with Regulation 20 of the Scheme Regulations.

Where a Scheme member enters into a period of reduced or nil contractual pay as a result of:



- i) sickness or injury; or
- ii) PAID child-related leave

the Scheme Employer (or their appointed third-party payroll provider) will provide to the Administering Authority an Assumed Pensionable Pay (APP) figure calculated in accordance with Regulation 21 of the Scheme Regulations.

#### ***k) Duties – Specific; Annual Returns***

Except where a Scheme Employer submits data via i-Connect to the Administering Authority providing contribution and membership information in real time, the Scheme Employer will, by 30<sup>th</sup> April each year, provide the Administering Authority with a 'year-end' schedule in the format prescribed by the Administering Authority.

The Administering Authority will supply the pre-formatted 'year-end' schedule to all Scheme Employers (with the exception of those using i-Connect) in February each year.

**IMPORTANT NOTE: Where a scheme member holds more than one post, the Scheme Employer will ensure that they provide multiple entries detailing each post separately i.e., each post is to be treated as if it is totally independent of all other posts and must be recorded as such on the annual return.**

The Scheme Employer will respond within 10 working days to requests made by the Administering Authority for further information and clarification of issues raised from the annual return of contributions.

#### ***l) Duties – Specific; Pension Estimates***

The Scheme Employer will, as part of their request for a pension estimate in respect of one of their scheme members, provide the Administering Authority with details of the member's proposed date of leaving, the reason for leaving, the assumed final pay, the current year's CARE pay and any additional membership or pension to be granted at the Scheme Employer's discretion. An on-line pension estimate request form is available for completion on the employer section of the pension Fund's [website](#) and should be used wherever possible as it will prompt a Scheme Employer to submit all of the required information.

#### ***m) Duties – Specific; Scheme Employer Costs***

The Scheme Employer will make payment of all early retirement costs as instructed by the Administering Authority and in accordance with LGPS regulations. An invoice will be raised by the Administering Authority for each capital cost that arises, and the Scheme Employer will settle the invoice within 19 calendar days of the invoice date (or otherwise agreed in the relevant admission agreement). Failure to do so will result in the issue of a notice of unsatisfactory performance in accordance with the Administering Authority's 'Pension Administration Strategy'.

The Scheme Employer will make payment of any actuarial costs incurred as a result of any request made by the Scheme Employer for actuarial information. This could be as a result of the TUPE transfer of a group of employees to a private company, a request for a covenant review or cessation valuation estimate or in the case of an academy, a funding statement at the point of conversion. An invoice will be raised by the Administering Authority on each occasion that the actuary submits a schedule of costs to the Administering Authority which includes fees resulting from a Scheme Employer's request for actuarial information. The Scheme Employer will settle the invoice within 21 calendar days of the invoice date.

#### ***n) Duties – Specific; Administering Authority Enquiries***

The Scheme Employer will respond to enquiries made by the Administering Authority within 9 working days or sooner where possible. Where an enquiry will take longer than 10 working days to resolve, the Scheme Employer will notify the Administering Authority as the case may be and keep them up to date with any progress made.

## **5) SCHEME EMPLOYER DISCRETIONS**

The Scheme Employer must produce, publish and keep under review its policy regarding the discretions available under the LGPS regulations and will notify the Administering Authority and scheme members in

their employ of any changes to those policies within 30 calendar days of the changes taking effect. (A pro-forma policy statement and guide to completing the policy statement is available on the Fund's [website](#)).

The discretions afforded to a Scheme Employer by the Scheme Regulations and the Transitional Regulations are set out below.

**a) Mandatory Policy Required**

- i) Regulation 16(2)(e) and 16(4)(d) of the Scheme Regulations – Employer Funding of Additional Pension Contributions (APCs);
- ii) Regulation 30(6) of the Scheme Regulations – Flexible Retirement;
- iii) Regulation 30(8) of the Scheme Regulations – Waiving of Actuarial Reduction;
- iv) Regulation 31 of the Scheme Regulations – Award of Additional Pension;
- v) Schedule 2 of the Transitional Regulations – Switching on the 85-Year Rule.

**b) Additional Policy Recommended**

- i) Regulation 9(1) & (3) of the Scheme Regulations – Setting of Employee Contributions Rates;
- ii) Regulations 17(1) of the Scheme Regulations - Additional Voluntary Contributions (AVCs) and Shared Cost Additional Voluntary Contributions (SCAVCs);
- iii) Regulation 21(5) of the Scheme Regulations – Assumed Pensionable Pay;
- iv) Regulation 22 of the Scheme Regulations – Merging of Deferred Member Pension Accounts with Active Member Pension Accounts;
- v) Regulation 100(6) of the Scheme Regulations – Inward Transfer of Pension Rights.

**The Administering Authority undertake that they will not give scheme members any expectation as to how the Scheme Employer will exercise any discretion.**

## **6) ADMINISTERING AUTHORITY RESPONSIBILITIES**

**NOTE:** Whilst prior versions of this SLA make a differentiation between the Administering Authority and the Scheme Administrator, these have been merged in this version on the basis that the Scheme Administrator (or the Scheme Administration Function) is not outsourced to a third party, thus, a Scheme Employer should make no differentiation between the Administering Authority and the Scheme Administrator. This may be subject to future review.

**a) New Scheme Admissions**

Where a Scheme Employer submits new scheme member information, the Administering Authority will set up a new member record on the pension administration system, send a 'mypension ONLINE' activation key to the new scheme member and produce an on-line membership certificate for the new scheme member within 20 working days of the details having been received from the Scheme Employer.

Where relevant, and once any transfers of pension rights from previous pension schemes have been concluded, the Administering Authority will release a revised on-line membership certificate for the Scheme member to view, download or print where additional membership has been awarded as a result of the transfer calculation.

Where additional pension has been awarded as a result of the transfer calculation, confirmation of this amount will be released by the Administering Authority in the form of a letter made available on-line for the scheme member to view, download or print.

**b) Contract Variations**

Where a Scheme Employer submits a contract variation via i-Connect the scheme member's record will be updated automatically as part of the submission process. The Administering Authority will release an on-line membership certificate for the Scheme member to view, download or print setting out the changes that have been made within 10 working days of the member record having been updated.

Where a Scheme Employer submits a contract variation via either a spreadsheet or a form [LGS15B](#), the Administering Authority will release an on-line membership certificate for the Scheme member to view, download or print setting out the changes that have been made within 20 working days of the details having been received from the Scheme Employer

#### **c) *Scheme Leavers***

Where a Scheme Employer submits leaver details (either as a result of a scheme member leaving employment or opting out of the Scheme) via i-Connect the scheme member's record will be updated automatically as part of the submission process. The Administering Authority will notify the Scheme member of their benefit options within 20 working days of the member record having been updated.

Where a Scheme Employer submits leaver details (either as a result of a scheme member leaving employment or opting out of the Scheme) via a spreadsheet or form LGS15C the Administering Authority will update the Scheme members record and notify the Scheme member of their benefit options within 20 working days of the details having been received from the Scheme Employer.

#### **d) *Retirements***

Irrespective of the method by which the Scheme Employer notifies the Administering Authority that a Scheme member who has left employment is entitled to the immediate release of their pension benefits; The Administering Authority will notify the Scheme member of their benefit options within 5 working days of receipt of all relevant Scheme leaver information from the Scheme Employer. The Administering Authority will make payment of any retirement lump sum within 30 calendar days of the date of the Scheme member's 'retirement' subject to all relevant information having been received from both the Scheme Employer and the Scheme member to enable them to do so.

#### **e) *Changes in Administrative Procedures***

The Administering Authority will ensure that the Scheme Employer is notified of any material changes to administrative procedures that may arise as a result of changes in pension scheme regulations and provide copies of revised standard documentation as agreed via the pension fund [website](#). Any other changes to administrative procedures will only take place following discussions with the Scheme Employer.

#### **f) *Training Sessions, Seminars and Pension Surgeries***

The Administering Authority will provide the Scheme Employer with training sessions if required in respect of scheme administration procedures. The Administering Authority will also provide ad hoc seminars to scheme members as requested and as organised by the Scheme Employer.

The Administering Authority will provide two pension surgeries per year for employees of the Unitary Authorities to which employees of other Scheme Employers are welcome to attend and also provide additional surgeries on an ad hoc basis as required and as organised by the Scheme Employer.

#### **g) *Scheme Member Database***

The Administering Authority will maintain a database of all LGPS members employed by the Scheme Employer and provide the Scheme Employer with reports as may be requested from time to time.

#### **h) *Scheme Member Enquiries***

The Administering Authority will answer enquiries made by scheme members employed by the Scheme Employer and respond to such enquiries within 10 working days or sooner where possible. Where an enquiry will take longer than 10 working days to resolve, the Administering Authority will notify the scheme member accordingly and keep them up to date with any progress made.

#### **i) *Scheme Employer Enquiries***

The Administering Authority will respond to enquiries made by the Scheme Employer within 10 working days or sooner where possible. Where an enquiry will take longer than 10 working days to resolve, the Administering Authority will notify the Scheme Employer and keep the Scheme Employer up to date with any progress made.

#### **j) *Annual Benefit Statements***

The Administering Authority will provide an electronic version of the scheme member's annual benefit statement within the statutory deadline (31<sup>st</sup> August) providing the Scheme Employer has submitted their 'year-end data file and answered all associated queries in accordance with section 4) of this SLA. Annual Benefit Statements will be made available to view, download or print by the Scheme member via 'mypension ONLINE'. Hard copies of the statement will be made available to Scheme members of a Scheme Employer upon request.

**k) Pension Estimates**

The Administering Authority will provide an estimate of pension benefits upon request from the Scheme Employer within 5 working days, or sooner where possible, of receipt of all relevant information. Where the estimate is in respect of an early retirement for whatever reason, the Administering Authority will provide the Scheme Employer with estimated details of the full capital cost to be paid by them.

**l) Early Retirements**

Upon completion of an actual early retirement calculation by the Administering Authority which generates a Pension Fund strain cost (otherwise known as a capital cost), the Administering Authority will raise an invoice and issue it to the Scheme Employer requesting payment, within 21 calendar days of the full capital cost owing to the Pension Fund.

**m) Employer Meetings**

The Administering Authority will arrange meetings with the 6 Unitary Authorities on an at least annual basis and with other Scheme Employers on an annual basis.

**n) Pensions Increase**

The Administering Authority will apply pensions increase annually to the relevant pensions in payment and deferred pensions retained in the Fund in accordance with the Pensions Increase (Review) Order issued by the Government each year.

**o) Regulations**

The Administering Authority will notify the Scheme Employer of any significant changes to:

- i) Scheme regulations that might affect scheme members in their employ;
- ii) The requirements of any policy statements that are maintained by them under the regulations;
- iii) Procedures adopted by them in accordance with this agreement;
- iv) The method of making payments to the Pension Fund or any changes to values of any payments to be made.

Guidance will be given to a Scheme Employer in respect of matters arising from the interpretation and implementation of Scheme Regulations.

**p) Scheme Contributions**

The Administering Authority will allocate all contributions submitted by the Scheme Employer to their respective income codes and reconcile the total contributions paid on a monthly basis where the Scheme Employer submits contribution data via i-Connect otherwise on an annual basis.

**q) Capital Cost Payments**

The Administering Authority will allocate all capital cost payments submitted by the Scheme Employer to their respective income codes and reconcile the payments to the Pension Fund bank account.

**r) Pension Scheme Recharges**

The Administering Authority will calculate and invoice a Scheme Employer, on an annual basis and by the end of April each year, for any pension scheme recharges owing to the Pension Fund where the Scheme Employer has liabilities relating to certain retired scheme members for whom the Pension Fund arrange to make payment through the pension payroll on behalf of the Scheme Employer.

**s) Presentations**

The Administering Authority will provide presentations to the Scheme Employer on an ad hoc basis and as required in respect of all matters relating to the Local Government Pension Scheme.

A Scheme Employer pension forum will be held on an annual basis in order to keep Scheme Employers up to date with matters relating to the performance of the Royal County of Berkshire Pension Fund and LGPS issues.

**t) Performance Indicators and Management Information**

The Administering Authority will, with the assistance of the Administering Authority, produce a quarterly Administration Report setting out key performance indicators and statistics relating to the administration of the Scheme. The report will be presented to the Berkshire Pension Fund Committee, Pension Fund Advisory Panel and Local Pension Board on each occasion that it meets and show the performance of:

- i) All Scheme Employers within the Royal County of Berkshire Pension Fund, and
- ii) The Administering Authority (undertaking its function as scheme administrator)

**u) Fund Actuary**

The Administering Authority will correspond with and commission any advice required of the Fund Actuary on behalf of the Scheme Employer in respect of any matters that may arise which require the determination of the Actuary and recharge any such costs that may arise to the Scheme Employer.

The Administering Authority will arrange for the triennial valuation of the Royal County of Berkshire Pension Fund and provide the Scheme Employer with a copy of the Actuary's valuation report and a copy of the annual report and statement of accounts.

The Administering Authority will commission the Actuary to provide an FRS102/IAS19 report as required and requested by a Scheme Employer at its appropriate financial year end date.

**v) Internal Disputes Resolution Procedure (IDRP)**

The Administering Authority will maintain a complaints procedure in accordance with the Local Government Pension Scheme Regulations including the appointment of an adjudicator to deal with cases at stage two of the procedure.

**w) Publicity and Promotion**

The Administering Authority will maintain a supply of scheme publications and ensure that the most up to date versions are always available to print or download from the Pension Fund [website](#).

**x) Pensions Increase**

The Administering Authority will apply the Pensions Increase (Review) Order as issued annually by the Government.

**y) Data Protection**

The Administering Authority will ensure compliance with Government Data Protection Regulation (GDPR).

## **7) PRIVATE CONTRACTORS**

In accordance with Regulation 3(5) and paragraphs 3 to 12 of Schedule 2 in Part 3 of the Scheme Regulations, the Administering Authority can enter into an admission agreement with an "external contractor" undertaking local government work formerly undertaken by a Scheme Employer.

This ability to become an Admission Body within the LGPS enables Scheme members to retain their rights to contribute to the Scheme and avoids the need for the contractor to offer an alternative pension scheme to the transferring employees.

**a) Scheme Employer responsibilities**

The Scheme employer will:

- i) Undertake to include the conditions surrounding any possible admission agreement to be made with a chosen service provider (and the Administering Authority) as part of any tendering exercise that it undertakes;
- ii) Consult with staff representatives and issue information to staff;
- iii) Notify the Administering Authority immediately of any decision that is made to transfer any part of their service to an "external contractor";

- iv) Supply the Administering Authority with full and accurate details of all employees, both those contributing to the LGPS and those, for whatever reason, are not contributing to the Scheme but are eligible to do so, involved in any potential transfer from the Scheme Employer to the Admission Body as soon as this information is known. The Administering Authority will supply a data capture spreadsheet for completion by the Scheme Employer;
- v) Sign up to the admission agreement before the start date of the service contract;
- vi) Decide whether or not the Admission Body will be required to provide a bond or indemnity as calculated by the Actuary or if they as the Transferor Scheme Employer will act as a guarantor;
- vii) Decide whether or not the Admission Agreement will be an Open or Closed agreement;
- viii) Notify the Administering Authority immediately if the contract with the Admission Body is terminated;
- ix) Pay any outstanding liabilities where they arise and are the responsibility of the Scheme Employer, as calculated by the Fund Actuary, to the Administering Authority in the event of the early termination of a contract with an Admission Body.
- x) Ensure that pass-through provisions are complied with as defined in the Funding Strategy Statement from 1 April 2023.

***b) Administering Authority responsibilities***

The Administering Authority will:

- i) Obtain details from the Fund Actuary of the potential employer's contribution rate and level of indemnity or bond required by the Admission Body upon receipt of all information supplied by the Scheme Employer (simplified by the implementation of pass-through provisions from 1 April 2023);
- ii) Supply a draft admission agreement and draft indemnity/bond agreement and guide to completing an admission agreement;
- iii) Obtain details from the Fund Actuary of any outstanding liabilities resulting from the termination of the Scheme Employer's contract with the Admission Body;
- iv) Ensure that all parties to the admission agreement receive a copy of the final admission agreement document.

**8) COMPLIANCE**

Where it is proven that as a result of any non-compliance by the Scheme Employer in respect of any of the requirements of this service level agreement, the Administering Authority suffer any fine or financial penalty as imposed by The Pensions Regulator or any other statutory body, that penalty shall be transferred to the Scheme Employer for settlement in accordance with the guidelines issued by the relevant Statutory body at the time that the penalty is imposed.

Where it is proven that the Scheme Employer is not responsible for any fine or penalty imposed by The Pensions Regulator or any other statutory body as a result of non-compliance of this service level agreement, any such charge will automatically default to the Administering Authority.

In accordance with Regulation 70 of the Scheme Regulations and in line with its Pension Administration Strategy, the Administering Authority reserves the right to issue to a Scheme Employer a notice of unsatisfactory performance where the Administering Authority, in its opinion, has incurred additional costs which should be recovered from the Scheme Employer.

**9) PENSION LIAISON DETAILS**

**EMPLOYER NOMINATED PENSION LIAISON OFFICER AND AUTHORISED SIGNATORIES**

The following officer is hereby nominated as Pension Liaison Officer to the Administering Authority to deal with all issues relating to the administration of the pension scheme:

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Signature: \_\_\_\_\_

Contact Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Postal Address: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

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**Please provide details of other officers authorised to act as a Pension Liaison Officer.**

The following person is nominated as a pension liaison officer with specific duties as described below\*

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Signature: \_\_\_\_\_

Contact Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Postal Address: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_

\*Summary of duties: \_\_\_\_\_

\_\_\_\_\_

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The following person is nominated as a Pension Liaison Officer with specific duties as described below\*

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Signature: \_\_\_\_\_

Contact Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Postal Address: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_

\*Summary of duties: \_\_\_\_\_

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The following person is nominated as a Pension Liaison Officer with specific duties as described below\*

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Signature: \_\_\_\_\_

Contact Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Postal Address: \_\_\_\_\_

\*Summary of duties: \_\_\_\_\_

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\_\_\_\_\_ Date:

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***Add additional copy pages of the above if required.***



## ANNEX 2

### LEGISLATIVE FRAMEWORK FOR THIS STRATEGY

#### Local Government Pension Scheme Regulations 2013

##### **Pension administration strategy**

**59.**—(1) An administering authority may prepare a written statement of the authority's policies in relation to such of the matters mentioned in paragraph (2) as it considers appropriate ("its pension administration strategy") and, where it does so, paragraphs (3) to (7) apply.

(2) The matters are—

(a) procedures for liaison and communication with Scheme employers in relation to which it is the administering authority ("its Scheme employers");

(b) the establishment of levels of performance which the administering authority and its Scheme employers are expected to achieve in carrying out their Scheme functions by—

(i) the setting of performance targets,

(ii) the making of agreements about levels of performance and associated matters, or

(iii) such other means as the administering authority considers appropriate;

(c) procedures which aim to secure that the administering authority and its Scheme employers comply with statutory requirements in respect of those functions and with any agreement about levels of performance;

(d) procedures for improving the communication by the administering authority and its Scheme employers to each other of information relating to those functions;

(e) the circumstances in which the administering authority may consider giving written notice to any of its Scheme employers under regulation 70 (additional costs arising from Scheme employer's level of performance) on account of that employer's unsatisfactory performance in carrying out its Scheme functions when measured against levels of performance established under sub-paragraph (b);

(f) the publication by the administering authority of annual reports dealing with—

(i) the extent to which that authority and its Scheme employers have achieved the levels of performance established under sub-paragraph (b), and

(ii) such other matters arising from its pension administration strategy as it considers appropriate; and

(g) such other matters as appear to the administering authority after consulting its Scheme employers and such other persons as it considers appropriate, to be suitable for inclusion in that strategy.

(3) An administering authority must—

(a) keep its pension administration strategy under review; and

(b) make such revisions as are appropriate following a material change in its policies in relation to any of the matters contained in the strategy.

(4) In preparing or reviewing and making revisions to its pension administration strategy, an administering authority must consult its Scheme employers and such other persons as it considers appropriate.

(5) An administering authority must publish—

(a) its pension administration strategy; and

(b) where revisions are made to it, the strategy as revised.

(6) Where an administering authority publishes its pension administration strategy, or that strategy as revised, it must send a copy of it to each of its Scheme employers and to the Secretary of State as soon as is reasonably practicable.

(7) An administering authority and its Scheme employers must have regard to the pension administration strategy when carrying out their functions under these Regulations.

(8) In this regulation references to the functions of an administering authority include, where applicable, its functions as a Scheme employer.

### **Additional costs arising from Scheme employer's level of performance.**

**70.**—(1) This regulation applies where, in the opinion of an administering authority, it has incurred additional costs which should be recovered from a Scheme employer because of that employer's level of performance in carrying out its functions under these Regulations.

(2) The administering authority may give written notice to the Scheme employer stating—

- (a) the administering authority's reasons for forming the opinion mentioned in paragraph (1);
- (b) the amount the authority has determined the Scheme employer should pay under regulation 69(1)(d) (payments by Scheme employers to administering authorities) in respect of those costs and the basis on which the specified amount is calculated; and
- (c) where the administering authority has prepared a pension administration strategy under regulation 59, the provisions of the strategy which are relevant to the decision to give the notice and to the matters in sub-paragraphs (a) or (b).

### **Statements of policy about exercise of discretionary functions**

**60.**—(1) A Scheme employer must prepare a written statement of its policy in relation to the exercise of its functions under regulations—

- (a) 16(2)(e) and 16(4)(d) (funding of additional pension);
- (b) 30(6) (flexible retirement);
- (c) 30(8) (waiving of actuarial reduction); and
- (d) 31 (award of additional pension),

and an administering authority must prepare such a statement in relation to the exercise of its functions under regulation 30(8) in cases where a former employer has ceased to be a Scheme employer.

(2) Each Scheme employer must send a copy of its statement to each relevant administering authority before 1st July 2014 and must publish its statement.

(3) A body required to prepare a statement under paragraph (1) must—

- (a) keep its statement under review; and
- (b) make such revisions as are appropriate following a change in its policy.

(4) Before the expiry of a month beginning with the date any such revisions are made, each Scheme employer must send a copy of its revised statement to each relevant administering authority and must publish its statement as revised.

(5) In preparing, or reviewing and making revisions to its statement, a body required to prepare a statement under paragraph (1) must have regard to the extent to which the exercise of the functions mentioned in paragraph (1) in accordance with its policy could lead to a serious loss of confidence in the public service.

(6) In this regulation a relevant administering authority in relation to a Scheme employer, is any authority which is an appropriate administering authority for that employer's employees.

### **Statements of policy concerning communications with members and Scheme employers**

**61.**—(1) An administering authority must prepare, maintain and publish a written statement setting out its policy concerning communications with—

- (a) members;
- (b) representatives of members;
- (c) prospective members; and
- (d) Scheme employers.

(2) In particular the statement must set out its policy on—

- (a) the provision of information and publicity about the Scheme to members, representatives of members and Scheme employers;

(b) the format, frequency and method of distributing such information or publicity; and

(c) the promotion of the Scheme to prospective members and their employers.

(3) The statement must be revised and published by the administering authority following a material change in their policy on any of the matters referred to in paragraph (2).

### **Pension fund annual report**

**57.**—(1) An administering authority must, in relation to each year beginning on 1st April 2014 and each subsequent year, prepare a document (“the pension fund annual report”) which contains—

(a) a report about the management and financial performance during the year of each of the pension funds maintained by the authority;

(b) a report explaining the authority’s investment policy for each of those funds and reviewing the performance during the year of the investments of each fund;

(c) a report of the arrangements made during the year for the administration of each of those funds;

(d) for each of those funds, a statement by the actuary who carried out the most recent valuation of the assets and liabilities of the fund in accordance with regulation 62 (actuarial valuations of pension funds) of the level of funding disclosed by that valuation;

(e) the current version of the statement under regulation 55 (governance compliance statement);

(f) for each of the funds, the fund account and net asset statement with supporting notes and disclosures prepared in accordance with proper practices;

(g) an annual report dealing with—

(i) the extent to which the authority and the Scheme employers in relation to which it is the administering authority have achieved any levels of performance set out in a pension administration strategy in accordance with regulation 59 (pension administration strategy), and

(ii) such other matters arising from a pension administration strategy as it considers appropriate;

(h) the current version of the statement referred to in regulation 58 (funding strategy statement);

(i) the current version of the statement under regulation 7 of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 ;

(j) the current version of the statement under regulation 61 (statements of policy concerning communications with members and Scheme employers); and

(k) any other material which the authority considers appropriate.

(2) The authority must publish the pension fund annual report on or before 1st December following the Scheme year end.

(3) In preparing and publishing the pension fund annual report, the authority must have regard to guidance given by the Secretary of State.

## **Public Service Pensions Act 2013**

### **Administration**

#### **17 Regulatory oversight.**

(1) Schedule 4 contains provision relating to the regulation of Schemes under section 1, new public body pension Schemes and connected Schemes.

(2) The Secretary of State may by order make—

(a) provision consequential on Schedule 4, and

(b) further provision for, or in connection with, the regulation of public service pension Schemes within the meaning of the Pensions Act 2004 (as amended by that Schedule).

(3) The provision referred to in subsection (2) includes provision made by amending any legislation (including this Act).

(4) An order under this section may make different provision for different purposes.

(5) An order under this section is subject to—

- (a) the affirmative procedure, if it amends primary legislation, and
- (b) the negative procedure, in any other case.

#### **SCHEDULE 4 Regulatory oversight**

Amends the Pensions Act 2004 to cover Public Service Pensions and the Pensions Regulator involvement.

##### **16 Records.**

(1) The Scheme manager for a Scheme under section 1 and any statutory pension Scheme that is connected with it must keep such records as may be specified in regulations made by the Secretary of State.

#### **The Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014.**

##### **Records**

3. For the purposes of section 16 of the 2013 Act, the Scheme manager for a public service pension Scheme (1) must keep the records which are specified in regulations 4 to 6.

##### **Records of member and beneficiary information**

4.—(1) In respect of member and beneficiary information, the records which are specified are—

- (a) the name of each member and of each beneficiary;
- (b) the date of birth of each member and of each beneficiary;
- (c) the gender of each member and of each beneficiary;
- (d) the last known postal address of each member and of each beneficiary;
- (e) each member's identification number in respect of the Scheme;
- (f) the national insurance number of each member who has been allocated such a number; and
- (g) in respect of each active member, deferred member and pensioner member—
  - (i) the dates on which such member joins and leaves the Scheme;
  - (ii) details of such member's employment with any employer participating in the Scheme including—
    - (aa) the period of pensionable service in that employment; and
    - (bb) the amount of pensionable earnings in each year of that employment.

(2) In respect of each member's rights and, where applicable, of each beneficiary's entitlement, to any benefits which are not money purchase benefits, injury benefits or compensation benefits under the Scheme, the records which are specified are—

- (a) any formula or formulas used for calculating the member's or beneficiary's pension or benefit;
- (b) the percentage to be applied in respect of revaluation for each year to the member's accrued rights to benefits under the Scheme; and
- (c) any increase to be applied to the pensioner member's or beneficiary's pension or benefit in payment in each year.

(3) In respect of each member's rights to any money purchase benefits under the Scheme, the records which are specified are—

- (a) any investment decisions taken by, or in relation to, the member;
- (b) any investments held on behalf of the member; and
- (c) any anticipated date of retirement notified by the member.

(4) In respect of pension credits under section 29(1)(b) of the Welfare Reform and Pensions Act 1999(1) (creation of pension debits and credits) or under article 26(1)(b) of the Welfare Reform and Pensions (Northern Ireland) Order 1999(2) (creation of pension debits and credits), the records which are specified are records of any information relevant to calculating each member's rights under the Scheme which are attributable (directly or indirectly) to a pension credit.

(5) In respect of pension debits under section 29(1)(a) of the Welfare Reform and Pensions Act 1999 or under article 26(1)(a) of the Welfare Reform and Pensions (Northern Ireland) Order 1999, the records which are specified are records of any information relevant to calculating any reduction in each member's rights under the Scheme which are attributable to a pension debit.

### **Records of transactions**

5. In respect of transactions, the records which are specified are—
- (a) any employer contribution or member contribution paid in relation to each active member;
  - (b) payments of pensions and benefits including the date of the payment;
  - (c) except where the payment is a payment under paragraph (b) or (f), payments made by, or on behalf of, the Scheme manager to any person including—
    - (i) the name and address of the person to whom payment was made; and
    - (ii) the reason for that payment;
  - (d) any movement or transfer of assets from the Scheme to any person including—
    - (i) the name and address of the person to whom the assets were moved or transferred; and
    - (ii) the reason for that transaction;
  - (e) the receipt or payment of money or assets in respect of the transfer of members into or out of the Scheme including—
    - (i) the name of that member;
    - (ii) the terms of the transfer;
    - (iii) the name of the Scheme into or out of which the member has been transferred;
    - (iv) the date of the transfer; and
    - (v) the date of receipt or payment of money or assets;
  - (f) payments made to any member who leaves the Scheme, other than on a transfer, including—
    - (i) the name of that member;
    - (ii) the date of leaving;
    - (iii) the member's entitlement at that date;
    - (iv) the method used for calculating any entitlement under the Scheme; and
    - (v) how that entitlement was discharged;
  - (g) payments made to any employer participating in the Scheme;
  - (h) any amount due to the Scheme which has been written off in the Scheme's accounts; and
  - (i) any other payment to the Scheme including the name and address of the person from whom it is received and, where a payment is made in respect of a member, the name of the member in respect of whom it is made.

### **Records of pension board meetings and decisions**

- 6.—(1) In relation to any pension board meetings, the records which are specified are records relating to any such meeting including—
- (a) the date, time and place of the meeting;
  - (b) the names of all the members of the pension board invited to the meeting;
  - (c) the name of any person who attended the meeting and the capacity in which each attended; and
  - (d) any decisions made at the meeting.
- (2) In relation to any other decision made by the members of the pension board in the exercise of their functions as members of the pension board, the records which are specified are records relating to any such decision including—
- (a) the date, time and place of the decision; and
  - (b) the names of the members of the pension board who participated in making the decision.

(3) In relation to any decision made by a committee or sub-committee of the pension board which has not been ratified by the pension board, the records which are specified are records relating to any such decision including—

- (a) the date, time and place of the decision; and
- (b) the names of the members of the committee or sub-committee who participated in making the decision.

### **Amendment of the Occupational Pension Schemes (Scheme Administration) Regulations 1996**

7. For regulation 16A of the Occupational Pension Schemes (Scheme Administration) Regulations 1996(1) (exemptions from the requirement to notify the Authority or the member of a late contribution payment) substitute—

#### **“Exemptions from the requirement to notify the Authority or the member of a late contribution payment.**

**16A.**—(1) Subject to paragraph (3), where an amount corresponding to any contribution payable on behalf of an active member of an occupational pension Scheme—

- (a) is deducted from that member’s earnings in respect of any employment; and
- (b) is not paid to the trustees or managers of the Scheme within the period of 19 days beginning on the first day of the month after which the deduction is made,

the trustees or managers do not need to give notice of the failure to pay that amount within that period to the Authority or member in the circumstances specified in paragraph (2).

(2) The specified circumstances are where the trustees or managers of the Scheme are exempt from the requirement—

- (a) to secure the preparation, maintenance and revision of a payment schedule for the purposes of section 87(1) of the 1995 Act (schedules of payments to money purchase Schemes), by virtue of regulation 17(2); or
- (b) to prepare, review and if necessary revise a schedule of contributions under section 227 of the 2004 Act (schedule of contributions), by virtue of any of sub-paragraphs (a) to (i) and (k) to (m) of regulation 17(1) of the Occupational Pension Schemes (Scheme Funding) Regulations 2005(3).

(3) Paragraph (1) does not apply in circumstances where the Scheme is a public service pension Scheme.

(4) For the purposes of this regulation—

“the 2013 Act” means the Public Service Pensions Act 2013;

“connected”, “new public body pension Scheme” and “statutory pension Scheme” have the meanings given in section 37 of the 2013 Act (general interpretation);

“public service pension Scheme” means—

- (a) a Scheme established under section 1 of the 2013 Act (Schemes for persons in public service);
- (b) a new public body pension Scheme;
- (c) any statutory pension Scheme which is connected with a Scheme referred to in paragraph (a) or (b).”

### **Explanatory note for this amendment**

Under section 49 of the Pensions Act 1995 trustees or managers must notify the Pensions Regulator and the member where there is a late payment of a contribution where such late payment is likely to be of material significance to the Pensions Regulator’s function. Regulation 16A of the Scheme Administration Regulations sets out exceptions to that duty. The amendments mean that managers of public service pension Schemes under the 2013 Act cannot benefit from the exception and will now be subject to the duty to notify.

**ANNEX 3**  
**WRITTEN NOTICES OF UNSATISFACTORY PERFORMANCE**

Fund ref.	Description of notice
1	<p>In accordance with Regulation 69(1)(d), where, in the opinion of the Administering Authority, it has incurred additional costs in line with Regulation 70 as a result of a Scheme employer's unsatisfactory performance, the Administering Authority will give a written notice to the Scheme employer setting out the reasons for forming its opinion, the amount the Administering Authority has determined the Scheme employer should pay and the basis upon which the amount has been calculated.</p> <p>The Administering Authority has the power to charge a Scheme employer additional cost arising from the Scheme employer's level of performance in accordance with Regulation 70 of the Local Government Pension Scheme Regulations 2013 which will be referred to in all cases.</p>
2A	<p>Failure to make payment of monthly employee and employer contributions by the 19<sup>th</sup> of the month following the period to which the contributions relate will result in the Administering Authority issuing a written notice of unsatisfactory performance. Where a Scheme employer persistently fails to make payments within the statutory deadline and the Administering Authority considers that this is of a material significance, the Scheme employer will be reported to the Pensions Regulator. Responsibilities concerning the payment of contributions is set out in section 4) of the SLA.</p>
2B	<p>Where a Scheme employer persistently fails to provide the necessary documentation in support of the contribution payment the Administering Authority will issue a written notice of unsatisfactory performance. Responsibilities concerning the provision of information in respect of Employer and Employee (member) contributions are set out in section 4) of the SLA.</p>
3	<p>Failure to make payment of a capital cost owing to the pension fund within 19 calendar days from the date of issue of an invoice will result in the Administering Authority issuing a written notice of unsatisfactory performance. This will be reported as part of the Administration report presented at meetings of the Berkshire Pension Fund Committee, Pension Fund Advisory Panel and Local Pension Board and steps will be taken to recover the amount of interest lost by the Pension Fund calculated in accordance with Regulation 71* of the Local Government Pension Scheme Regulations 2013.</p> <p>Responsibilities concerning the payment of capital/strain costs are set out in section 4) of the SLA.</p>
4	<p>Where, as a result of the Scheme employer's failure to notify the administering authority of a Scheme member's retirement, interest becomes payable on any retirement lump sum paid and the Administering Authority will issue a written notice of unsatisfactory performance. This will be reported as part of the Administration report presented at meetings of the Berkshire Pension Fund Committee, Pension Fund Advisory Panel and Local Pension Board and steps will be taken to recover the amount of interest lost by the Pension Fund calculated in accordance with Regulation 71* of the Local Government Pension Scheme Regulations 2013.</p> <p>Responsibilities concerning the provision of information in respect of retirements is set out in section 4) of the SLA</p>

**NOTE**

\* Regulation 71 of the Local Government Pension Scheme Regulations 2013 states that interest must be calculated at one per cent above base rate on a day-to-day basis from the due date to the date of payment and compounded with three-monthly rests.