Pensions Administration

Business Plan

2022-2023

Level One – Changes that impact on the Pension Fund or Leicestershire County Council - (resourced from Pension Fund)

	Priority (<u>Not</u> business as usual)	Key Actions	Performance measures / KPI	Impact	Support required from another service	Customer	Timescale/ Due Date
1	Implement a solution for the national "pensions dashboard" project	• Write new reports via Insights to identify data improvements • Data cleanse member data • Reduce backlogs of preserved benefits and aggregations • Find a technical solution that meets the national dashboards requirements • Link the solution to the Fund's current member self-service solution • Communicate dashboards to employers and fund members	• Develop a new KPI to measure improvement in the take up of the Fund's member self-service linked from the national dashboard	• Increased administration cost for the solution • Resource required for report writing and data cleansing • Improved take up of the Fund's member self-service • Review and amend communications and letters to include the national pensions dashboard	• Heywood (system provider) • Fund employers	• Pension Sections 98,000 scheme members	• Project work – phased development and improvement • March 2023
2	Complete the implementation of a phased roll out of	• Phased roll out to all Funds employers	• Report progress to the Local Pension Board on a quarterly basis	• Reduces year-end queries • Assists employers	• All employers' payrolls and their external payroll providers	• Remaining 22 fund employers with active	• All remaining employers

	IConnect with all the Funds employers	• Continue to work with employers and their third-party payrolls on the specification	• Funds admin and comms strategy makes monthly posting a scheme requirement under TPR governance arrangements	• Member modellers are more accurate • Validation in built to negate wrong data at source • Meets TPR improvement plan requirements • Improves overall efficiency	• Heywood (system provider	members, 160 already completed. (182 employers in total)	by August 2022
3	SAB – Good Governance Project	• Implement the final areas of recommendation from the Good Governance Project	• Continue to watch the national position • Guided by Hymans	• Improve the governance of the Fund • Reduce risk	• Hymans • Legal (potentially) • Other Funds (potentially) • Pensions Board, Committee and Democratic Services • CIPFA • SAB	• Scheme members	• No deadline set by SAB (on-going)
4	Implement the McCloud remedy	• Continue to collect hour changes from employers from 1 April 2014 to 31 March 2022 • Load the missing hours and service breaks into the pension system • Recalculate pension benefits	• Revise benefits and adjust payments where necessary • Develop a KPI for amending the benefits for scheme members	• Resource in the Pension Section (a temporary sub-team of 2 has been set up to initiate the work) • Monitor the impact on the other teams in the Pension Section –	• Pension colleagues (internal) • Payroll colleagues (EMSS) • Heywood (system changes) • LGA • Legal Services (potential for legal appeals)	• All scheme members and their dependants	• After remedy is known (currently unclear)

No.	Task	Actions	Reporting/KPIs	Risks	Stakeholders	Members	Timeline
		• for members since April 2014 • Potentially offer aggregations to those members who previously decided against transferring • Write to all impacted scheme members		including the data loading requirements • Increased work and complexity for the Fund's employers (reporting and extracting the data)			
5	Develop new bulk processes	• Move to bulk processes to run large admin areas (e.g. preserved benefits, refunds, certain estimates) • Amend processes • Set up new letters/workflows • Devise simplified checking processes • Negate the need for a leavers form (for some cases)	• Set new KPIs – showing cases run via the bulk processes (compared to case by case calculations)	• Internal resource available to work on other pressing areas • Risk needs to be considered and managed appropriately	• Heywood (system provider) • Employers • Internal Audit	• All scheme members	• June 2022
6	Review and implement The Pension Regulators new Code of Practice	• Review the new code • Check the Fund's compliance against all areas of the new code	• Report progress to the Pension Board	• Failure to comply could cause breaches of pension law	• Legal Services • Hymans • LGA • Internal IT (on cyber security requirements)	• All scheme members	• Currently unknown but the new code is expected in 2022

	Priority (Not business as usual)	Key Actions	Performance measures / KPI	Impact	Support required from another service	Customer	Timescale/ Due Date
		• Make any necessary changes					
7	Agree with the Chair of the Pension Board an area for the Board to "Deep Dive"	• Training (internal and/or external)	• Report/s to the Board	• Reduce risk • Increase awareness • Further support the Administering Authority	• All Board Members • Pensions Manager • Hymans • Legal Services • External Trainer	• Board Members • Admin Authority • Scheme members	• March 2023

Level Two – Changes that impact on Corporate Resources

	Priority (Not business as usual)	Key Actions	Performance measures / KPI	Impact	Support required from another service	Customer	Timescale/ Due Date
8	Implementation of a postage, printing and scanning solution	• Finalise the arrangements with the temporary current provider • Investigate outsourced options • Potential for an external tender	• Agree a detailed SLA with the provider covering – turn round times, escalation process, GDPR requirements, charges • Reduce postage using greater member self-service online solutions • Develop a digitised solution for post	• Improve efficiency • Reduce the need for office working • Reduce costs • Reduce risk of failure if Pensions had to fully work from home (Covid)	• Central Print • Internal IT • Pension colleagues • Procurement • Legal Services	• Scheme members	• June 2022

Level Three – Pension Section (continuous improvement) – (Resourced from the Pension Fund) – All Business as Usual and continually monitored

	Priority (Business as usual)	Key Actions	Performance measures / KPI	Impact	Support required from another service	EHRIA required Y/N	Officer	Timescale/ Due Date
9	Maintain the Local Government KPIs at or above target, for all areas of Local Government pension administration.	• Key focus on making payments to scheme members within the current KPI and customer satisfaction • Work closely with Pension Team Managers • Monitor changes in legislation • Monitor workloads • Monitor CIPFA benchmarking KPIs • Demonstrate value for money	• Report the 3-business process and 7 customer perspective KPIs to the Local Pension Board each quarter	• Maintain and improve customer service • Highlights any falls in service so these can be addressed quickly • Increased officer morale – positive feedback is very welcome	• All fund employers	N	Ian Howe	On-going Quarterly reports to the Local Pension Board
10	Fund Valuation 31 March 2022 To be completed by 31 March 2023 Sets employer rates from 1 April 2023 to 31 March 2026	• Calculate the Funds funding position • Confirm all employer contribution rates for the following three years	• Reduce employer risk • Reduce employer deficits • Increase employer security	• Reduce Fund risk • Facilitates longer term employer budget planning • Significant resource required from the Pension Section	• Hymans • Pension Committee • Pension Board • All Fund employers	N	Ian Howe	31 March 2023

		• Consult with employers on the ISS and FSS • Agree Fund assumptions • Assess employer risk	• Agree suitable and reasonable employer rates	• Increased administration and actuarial costs					
11	Implement ongoing customer service improvements	• Team Managers to explore ongoing customer service improvement opportunities • Implementation more online processes • Maintain the high standard within the customer help desk • Expansion of Member self-service and system modellers where possible	• Implement new KPI's and review measuring techniques	• Ensure the highest level of service available • Continually look to enhance and improve the customer experience	N		N	Ian Howe	On-going
12	Develop a suit of Insight reports	• Monthly reconciliation between pensions admin and pensioner payroll	• Monthly checks to be reported by Team Managers to	• Improves efficiency • Reduces risk (e.g. over or under payments) • Potentially eases workloads at year-end	N		N	Ian Howe	On-going

		• Identify admin and payroll changes monthly e.g. short term to long term spouse's benefit • Identify data improvement requirements • Look at various options on how Insights will improve efficiency covering all Teams	the Pensions Manager	(spreading this throughout the year)				
13	Manage and reduce employer risk Keep the employer tracking system (EPIC) updated for monitoring employer changes and risks	• Continue to review bonds and guarantors • Continue to guide new TUPE outsourcings to pass-through pooling • Work with the remaining CABs and higher risk Education bodies on reducing their Fund risk	• Negating the need for full bonds where possible • Assess bond values and take necessary action • Inform the Board each quarter	• Reduce fund related employer risk • Reduce full bond values by moving to pass-through when appropriate • Reduce outsourcing pension costs and risk • Reduce the risk of default by new employers at TUPE	• Hymans • Legal services • Employers	N	Ian Howe	On-going
14	Achieve all the statutory deadlines – ABS by 31 August and pension taxation	• Work closely with Fund employers	• Regulatory statutory deadlines	• Failure is a reportable "material breach" of pension rules	• All fund employers and their	N	Ian Howe	31 August 6 October

	statements by 6 October			• Reportable to The Pensions Regulator • Inform the Local Pension Board • Reputational damage	payroll providers • EMSS				
15	Improve staff sickness levels within the Pension Section	• Team Managers to continue to manage sickness	• Pension Section target of 5.0	• Increased sickness – negative impact on morale, KPIs and targets, increased risk of failure with customer service standards and increases time for work completion	N		N	Ian Howe	On-going
16	Continue to improve home working solutions	• Continue to reduce post moving more to MSS • Improve workflow processes • Maintain close contact with all colleagues working from home	• Increase MSS take up • Target specific employers on MSS take up • Team Managers to liaise at least one a week with each member of their team • Pulse survey after each Office Meeting	• Maintain staff morale • Improved efficiency • Reduced risk	N		N	Ian Howe	On-going

Pensions Administration

Overview

- Provides a statutory service administering the Local Government Pension Scheme to over 190 employers in the Leicestershire Fund with over 98,000 scheme members.
- Rated highly by customers for providing a positive customer experience.
- Reports to the Leicestershire Local Pension Board and Pensions Committee, made up of both employee and employer representatives.

Key drivers

- Continue to achieve or better, key performance indicators in business processes and customer satisfaction.
- Continue to develop processes on-line to improve the customer experience, concentrating on improved efficiency, reduced risk and improved home working.
- Develop bulk processes internally to improve efficiency and make resource available in other key work areas.
- Implement the McCloud remedy.
- Complete the Fund valuation.
- Improve reporting and efficiency via Insights.
- Implement a solution to the national dash boards exercise.
- Complete monthly postings of contributions from employers to negate the significant peak of year-end work, spreading this throughout the year.
- Continue to build on the home working solution to make this more efficient and maintaining staff morale.
- Maintain staff wellbeing throughout the on-going pandemic and beyond.

Ian Howe December 2021