

**Pensions Administration
Business Plan
2021-2022**

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

	Priority (Not business as usual)	Key Actions	Performance measures / KPI	Impact	Support required from another service	Customer	Timescale/ Due Date
1	<p>Implement a review of the Pension Section processes following the implementation of the new structure, concentrating in the following areas;</p> <p>Payments and taxation</p> <p>Early leavers</p> <p>Member self-service</p> <p>Postage and printing</p> <p>Scanning and indexing</p>	<ul style="list-style-type: none"> Review all processes looking for efficiency, streamlining and digitising more on-line Highlight potential for fraud or errors within processes Develop a Pension Section training manual covering all processes 	<ul style="list-style-type: none"> Develop new KPIs to measure improvement Review potential CIPFA KPI benchmarking requirements 	<ul style="list-style-type: none"> Improve efficiency Assist with home working Reduces risks of manual error and reconciliation issues Expand system use Drive greater use of member self-service Automate processes using new technology 	<ul style="list-style-type: none"> EMSS (payroll) EMSS (systems) Investments Heywood (system provider) HR colleagues for the structure review Fund employers 	<ul style="list-style-type: none"> Pension Sections 98,000 scheme members 	<ul style="list-style-type: none"> Project work – phased development and improvement 31 Dec 2021
2	<p>Continue the implementation of a phased roll out of IConnect with all the Funds employers</p>	<ul style="list-style-type: none"> Phased roll out to all Funds employers Continue to work with employers and their third party payrolls on the specification 	<ul style="list-style-type: none"> Report progress to the Local Pension Board on a quarterly basis Funds admin and comms strategy makes monthly posting a scheme requirement under TPR governance 	<ul style="list-style-type: none"> Reduces year-end queries Assists employers MSS more accurate and timely Validation in built to negate wrong data at source 	<ul style="list-style-type: none"> All employers' payrolls and their external payroll providers Heywood (system provider) 	<ul style="list-style-type: none"> Remaining 77 fund employers with active members, 115 already completed. (192 employers in total) 	<ul style="list-style-type: none"> All remaining employers by 31/3/22

			arrangements	<ul style="list-style-type: none"> • Meets TPR improvement plan requirements • Improves overall efficiency 			
3	<p>Manage and reduce employer risk incorporating the Regulation changes from September 2020, considering increased financial risk (for some employers) due to Covid.</p> <p>Also develop a new employer tracking system for monitoring employer changes and risks</p>	<ul style="list-style-type: none"> • Continue to review bonds and guarantors • Continue to guide new TUPE • Continue to guide new TUPE outsourcings to pass-through pooling • Manage resource accordingly to deal with the new areas of responsibility • Work with the remaining “big 7 CABs” and higher risk Education bodies on a reduced risk strategy • Develop the Funding Strategy Statement following consultation with employers 	<ul style="list-style-type: none"> • Negating the need for full bonds where possible and reducing current full bonds where possible. • Manage cases more easily with a specific system for monitoring cases 	<ul style="list-style-type: none"> • Reduce fund related employer risk • Reduce bond values • Reduce outsourcing pension costs and risk • Reduce the risk of default by new employers at TUPE 	<ul style="list-style-type: none"> • Hymans (actuary) • Legal services (internal) • Eversheds (external legal) • Potentially a third-party system provider for employer risk tracking (e.g. South Yorkshire Pension Fund) 	<ul style="list-style-type: none"> • Fund employers • Outsourcing and new employers 	<ul style="list-style-type: none"> • On-going area of work 31/3/22

4	SAB – Good Governance Project (phase two)	<ul style="list-style-type: none"> • Implement the areas of recommendation in the phase two documents (Nov 2019) • Continue to work with Chris and Declan on Leics position 	<ul style="list-style-type: none"> • Continue to watch the national position • Guided by Hymans 	<ul style="list-style-type: none"> • Improve the governance of the Fund • Reduce risk 	<ul style="list-style-type: none"> • Hymans • Legal (potentially) • Other Funds (potentially) • Pensions Board, Committee and Democratic Services • CIPFA • SAB 	<ul style="list-style-type: none"> • Scheme members 	<ul style="list-style-type: none"> • No deadline set by SAB (on-going)
5	Implement the McCloud remedy and cost cap implications	<ul style="list-style-type: none"> • Continue to collect missing hour changes from employers from 1 April 2014 • Load the missing hours into the pension system • Recalculate pension benefits for members since April 2014 • Potentially offer aggregations to those members who previously decided against transferring 	<ul style="list-style-type: none"> • Develop a KPI for employers submitting the data to the Fund • Revise benefits and adjust payments where necessary • Develop a KPI for amending the benefits for scheme members 	<ul style="list-style-type: none"> • Resource in the Pension Section (a temporary team of 3 has been set up to initiate the work) • Monitor the impact on the other teams in the Pension Section • Increased work and complexity for the Fund’s employers (reporting and extracting the data) 	<ul style="list-style-type: none"> • Pension colleagues (internal) • Payroll colleagues (EMSS) • Heywood (system changes) • LGA • Legal Services (potential for legal appeals) 	<ul style="list-style-type: none"> • All scheme members and their dependants 	<ul style="list-style-type: none"> • After remedy is known (currently unclear)

Level Two – Changes that impact on Corporate Resources							
6	Implement new postage, printing and scanning solutions	<ul style="list-style-type: none"> Investigate alternative solutions 	<ul style="list-style-type: none"> Develop a KPI for turn-round times for postage and scanning Reduce postage using greater member self-service online solutions 	<ul style="list-style-type: none"> Improve efficiency Reduce the need for office working Reduce costs Reduce risk of failure if Pensions had to fully work from home (Covid) 	<ul style="list-style-type: none"> Internal IT Pension colleagues Potentially a third-party provider Procurement/Legal Services (if a third-party provider is used) 	<ul style="list-style-type: none"> Scheme members 	<ul style="list-style-type: none"> April 2021

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
7	Maintain the Local Government KPIs at or above target, for all areas of Local Government pension administration.	<ul style="list-style-type: none"> Key focus on making payments to scheme members within the current KPI and customer satisfaction Work closely 	<ul style="list-style-type: none"> Report the 3-business process and 7 customer perspective KPIs to the Local Pension Board each quarter 	<ul style="list-style-type: none"> Maintain and improve customer service Highlights any falls in service so these can be addressed quickly Increased officer morale – positive feedback is very welcome 	<ul style="list-style-type: none"> All fund employers 	N	Ian Howe	On-going Quarterly reports to the Local Pension Board

		<p>with Pension Team Managers</p> <ul style="list-style-type: none"> • Monitor changes in legislation • Monitor workloads • Monitor CIPFA benchmarking KPIs 						
8	Implement ongoing customer service improvements	<ul style="list-style-type: none"> • Team Managers to explore ongoing customer service improvement opportunities • Implementation of the online retirement process • Implementation of the customer help desk • Expansion of Member self-service and system modellers where possible 	<ul style="list-style-type: none"> • Implement new KPI's and review measuring techniques 	<ul style="list-style-type: none"> • Ensure the highest level of service available • Continually look to enhance and improve the customer experience 	N	N	Ian Howe	On-going
9	Achieve all the statutory deadlines – ABS by 31/8 and pension taxation	<ul style="list-style-type: none"> • Work closely with Fund employers 	<ul style="list-style-type: none"> • Regulatory statutory deadlines 	<ul style="list-style-type: none"> • Failure is a reportable “material breach” of pension rules • Reportable to The 	<ul style="list-style-type: none"> • All fund employers and their 	N	Ian Howe	31 August 6 October

	statements by 6/10			Pensions Regulator <ul style="list-style-type: none"> • Inform the Local Pension Board • Reputational damage 	payroll providers <ul style="list-style-type: none"> • EMSS 			
10	Improve staff sickness levels within the Pension Section from the current level of 6.4	<ul style="list-style-type: none"> • Team Managers to continue to manage sickness 	<ul style="list-style-type: none"> • Pension Section target of 5.0 	<ul style="list-style-type: none"> • 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
11	Continue to improve home working solutions	<ul style="list-style-type: none"> • Develop a process for permanent home working • Reduce post moving more to MSS • Improve workflow processes • Maintain close contact with all colleagues working from home 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Improved 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 180 employers in the Leicestershire Fund with over 98,000 scheme members.
- Rated very highly by customers for providing a great 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
- To complete a review of processes, concentrating on improved efficiency, reduced risk and improved home working
- Develop processes and communications for the McCloud remedy, once the final remedy is known
- Complete monthly postings of contributions from employers to negate the significant peak of year-end work, spreading this throughout the year by March 2022
- Continue to build on the home working solution to make this more efficient and maintaining staff morale
- Maintain staff wellbeing throughout the pandemic and beyond

Ian Howe January 2021