

Pensions Administration

Annual General Meeting

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04.10.2018



**Nottinghamshire
County Council**

Context

- New Pensions System - November 2014
- 2014 LGPS changes
 - Average Salary scheme
 - 1/49 accrual rate
 - Change to calculations
 - More data required
 - Greater Pensions freedoms
 - Increased requests for individual information
 - Estimate
 - Transfers in and transfers out
 - Annual Benefit Statements - by 31 August every year
- Pension Regulator focusing on the Public Sector Schemes relating to improving scheme data
- More employers in the LGPS - Total 480 8.6% increase



Pension Fund Member Statistics

	2016	2017	2018
Actives	47,272	43,184	47,405
Deferred	41,509	49,897	53,677
Pensioners	33,112	34,240	35,835
Total	121,893	127,321	136,917

Annual Benefit Statements

- Checking information sent by employers
 - High error rate - data incomplete, wrong format, has not balanced.
 - Resources focussed on this work for longer than expected
- Information sent in later than the deadline specified
- Pensions Regulator to be informed of the breaches.
- Valuation year next year – Incorrect employer data will cause additional work and increase in costs



Year End 2017/18

Year End	No of submissions Received by Submission date	Accurate submissions received by submission date	Submission date	Number of Employers in the LGPS	Percentage of expected returns received by the Deadline.
14/15	112	92	31.05.2015	260	43%
15/16	162	157	30.04.2016	276	59%
16/17	253	166	02.05.2017	310	82%
17/18	314	183	14.05.2018	337	93%



Year End 2017/18

Following the completion of queries received back from employers the Admin Authority has Issued:

- 35,383 Active Benefit Statements
- 38,294 Deferred Benefit Statements
 - 269 overseas
- 10 Employers where data was not sufficient to be able to produce benefit statements.
- There is a planned follow up run of benefit statements at the end of October.

Pensions Administration Strategy

- Implemented as part of the regulatory framework (LGPS reg 2013)
- Establish levels of performance
 - Setting performance targets.
 - Other measures the administering authority considers appropriate.
- Setting boundaries for employers
 - How unsatisfactory performance will be dealt with.
 - Clarifying the roles and responsibilities of employers and the Administration Authority



Key Objectives

To ensure:

- The fund and scheme employers are aware of and understand their respective roles and responsibilities under the LGPS.
- The fund operates in accordance with the LGPS Regulations demonstrating compliance and scheme governance.
- Accurate records are maintained (requirement of the Pensions Regulator).
- Employers have appropriate understanding of their responsibilities.
- Communication processes are in place to enable engagement with each other and other partners.

Administration Standards

Employers will ensure that all tasks are carried out to agreed quality standards:

- All requirements set out in the LGPS regulations with information on the Pension Fund website.
- Use of standard format forms and templates.
- Communications to be easy to read and understand.
- Information provided to be checked for accuracy before submission.
- Appropriate authorisations to be carried out.
- Actions carried out within the timescales set out in the strategy document.

Compliance

Compliance is the responsibility of the administering authority and scheme employers.

The Pensions Employer Support and Compliance Team works with all employers to ensure:

- all statutory requirements are met.
- overall quality and timeliness is continually improved.
- offer support and advice where requirements are not met.
- Will send notifications where employers have not complied

Employer Non-Compliance

In instances of non-compliance by an employer the Employer Support and Compliance Team will:

- Discuss with employer 's areas of poor performance and how they can be addressed.
- Give written notice to employer - if no improvement or failure to take agreed action, detailing:
 - Reclamation of any additional costs incurred.
 - Clearly setting out calculations of any loss or additional costs (including time and resources involved).

Reasons for rechargeable costs

Persistent failure to provide information to administering authority, scheme member or other interested party.

Failure to provide good quality information to scheme members or potential members within agreed timescales.

If the performance of the employer results in fines being levied against the administering authority.

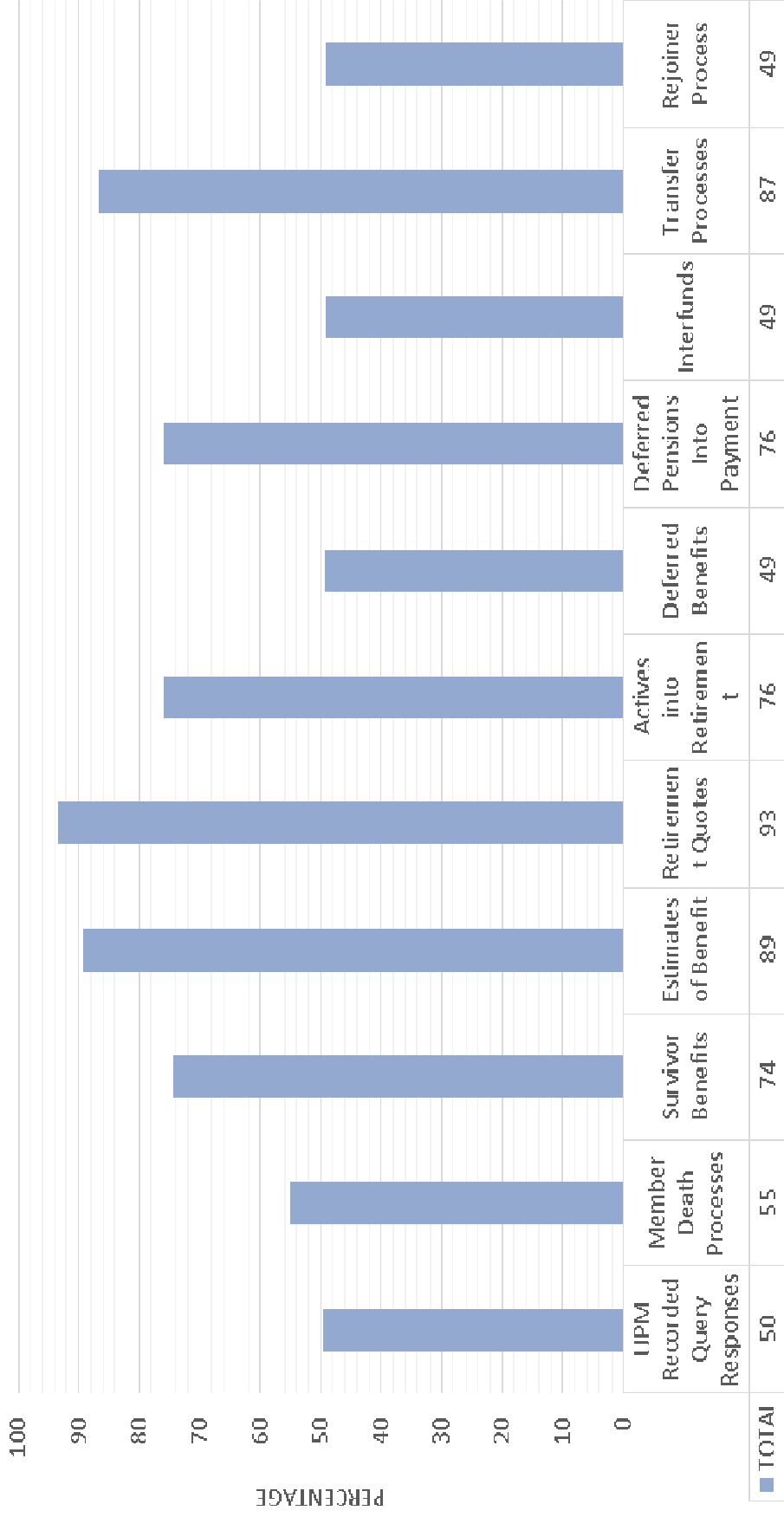
Failure to deduct and pay over correct employee and employer contributions to the Nottinghamshire fund within stated timescales.

A schedule of charges



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Annual Results of Pension Process Measured Against The SLA Year 2017/2018



PENSION PROCESS MEASURED AGAINST THE SLA

Pension Administration 1st Quarter 18/19

Completed Processes:

Retirements	569
Deaths	108
Deferred Members	987
Retirement Estimates	335
Transfer In to the scheme quotes	40
Actual Transfer in's	24
Transfer out Quotes	124
Transfers out payments	27

Planned Activities

Improving Data

- Bulk Data Load – enables the electronic loading of new starter data.
- Continue to chase employers where there are still queries relating to Pension Data
- Continually Reviewing - Business processes.
- Pensions Data Screening – Includes mortality screening, and tracing pensioners, and deferred members.
- Guaranteed Minimum Pension reconciliation with HMRC.
- Reporting Scheme data to the Pension Regulator

Annual Report

- <https://www.nottspf.org.uk/media/1529118/annual-report-2017-18.pdf>