



LOCAL PENSION BOARD

12 MARCH 2018

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

ADMINISTRATION AND COMMUNICATION STRATEGY REVIEW

Purpose of the Report

1. The purpose of this report is to inform the Board about proposed changes to the Pension Funds Administration and Communication strategy.

Background

2. The Local Government Pension Scheme Regulations 2013 requires the Pension Section to have an Administration and Communication strategy.
3. The Pension Sections current version was implemented in April 2016. Following some pension administrative changes at both national and local level a review of the Fund's strategy has been undertaken.
4. The aim of the administration element of the strategy is to set out the quality and performance standards expected of Leicestershire County Council in its role as administering authority and the Fund's employer responsibilities.
5. The communication strategy element details how the Pension Section communicates with a number of different parties including scheme members and employers.
6. At the end of the strategy document it includes the Pension Section's performance targets and service level agreement. This section is especially important as it details timescales to be achieved by the Pension Section and Fund employers with potential financial implications if these are not achieved.

Changes to the Current Version

7. There are three key changes to the 2016 version.

Administrative charges to members

8. Whilst the Pension Section has charged scheme members for divorce calculations for a number of years and additional estimates since April 2017,

these charges have not been incorporated into the strategy document. For completeness the charges for 2018/2019 are included.

9. The Strategy allows for future increases to the charges, linked to annual CPI rises.

General Data Protection Regulations

10. The General Data Protection Regulations (GDPR) come into force in May 2018. The administering authority and employers are both deemed “data controllers” under GDPR so there is no requirement for data sharing requirements to be in place. However, there will be a requirement for certain documents to be available; privacy statement, fair processing notice and memorandum of understanding document for employers. Documents are being produced at a national level for Local Government Pension Funds and are expected to be available by the end of March. Once these are available it is proposed to include these as an appendix to the strategy before it is sent to employers for consultation.

IConnect – Monthly Posting

11. The administering authority is extremely keen to continue the very positive work already taking place with employers on the implementation of monthly postings. This is not mandatory, but the Funds data improvement plan is a Pensions Regulator requirement, and to achieve this monthly posting is a key requirement.

Consultation

12. Under the regulations a consultation exercise is required with employers before the strategy can be finalised.
13. The Pension Section will send all the Fund’s employers a bulletin introducing the revised version, explaining that there is a four week consultation for comments. These comments will then be considered and incorporated where necessary. A final version will be brought back to the Local Board for approval.
14. The regulations do not make it mandatory for employers to sign up to the strategy, but as with previous versions, employers are invited and encouraged to do so.

Recommendation

15. It is recommended that the Board notes the revised Administration and Communication Strategy for consultation.

Equal Opportunities Implications

16. None specific

Appendix

Joint Pensions Administration and Communication Strategy

Officers to Contact

Ian Howe – Pensions Manager –telephone (0116) 305 6945

Chris Tambini – Director of Finance - telephone (0116) 305 6199

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