

**Pensions Administration  
Business Plan  
2021-2022**

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

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

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

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

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

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

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

	statements by 6/10			Pensions Regulator <ul style="list-style-type: none"> <li>• Inform the Local Pension Board</li> <li>• Reputational damage</li> </ul>	payroll providers <ul style="list-style-type: none"> <li>• EMSS</li> </ul>			
10	Improve staff sickness levels within the Pension Section from the current level of 6.4	<ul style="list-style-type: none"> <li>• Team Managers to continue to manage sickness</li> </ul>	<ul style="list-style-type: none"> <li>• Pension Section target of 5.0</li> </ul>	<ul style="list-style-type: none"> <li>• Increased sickness – negative impact on morale, KPIs and targets, increased risk of failure with customer service standards and increases time for work completion</li> </ul>	N	N	Ian Howe	On-going
11	Continue to improve home working solutions	<ul style="list-style-type: none"> <li>• Develop a process for permanent home working</li> <li>• Reduce post moving more to MSS</li> <li>• Improve workflow processes</li> <li>• Maintain close contact with all colleagues working from home</li> </ul>	<ul style="list-style-type: none"> <li>• Increase MSS take up</li> <li>• Target specific employers on MSS take up</li> <li>• Team Managers to liaise at least one a week with each member of their team</li> </ul>	<ul style="list-style-type: none"> <li>• Improved staff morale</li> <li>• Improved efficiency</li> <li>• Reduced risk</li> </ul>	N	N	Ian Howe	On-going

## 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