

**Pensions Administration  
Business Plan  
2024-2025**

**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	Implement a solution for the national “pensions dashboard” Project for LGPS and Additional Voluntary Contributions (AVCs)	<ul style="list-style-type: none"> <li>• Write new reports via Insights to identify data improvements</li> <li>• Data cleanse member data</li> <li>• Reduce backlogs of preserved benefits and aggregations</li> <li>• Use the Heywood ISP technical solution that meets the national dashboards requirements</li> <li>• Link the solution to the Fund’s current member self-service solution</li> <li>• Communicate dashboards to employers and fund members</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor the internal KPI measuring improved take up of the Fund’s member self-service.</li> <li>• Monitor future increases in member self-service take up once linked to the national dashboard</li> </ul>	<ul style="list-style-type: none"> <li>• Increased administration cost for the solution</li> <li>• Resource required for report writing and data cleansing</li> <li>• Increased member enquiries about LGPS benefits</li> <li>• Review and amend communications and letters to include the national pensions dashboard</li> </ul>	<ul style="list-style-type: none"> <li>• Heywood (system provider)</li> <li>• Fund employers</li> <li>• LGA</li> </ul>	<ul style="list-style-type: none"> <li>• Pension Sections 103,000 scheme members</li> </ul>	<ul style="list-style-type: none"> <li>• Project work – phased development and improvement</li> <li>• Summer 2024 finalise ISP</li> <li>• Autumn 2024 conclude AVC data checks and process</li> <li>• September 2025 (ongoing data checks)</li> <li>• September 2025 (on boarded)</li> <li>• April 2026 (live)</li> </ul>

2	SAB – Good Governance Project	<ul style="list-style-type: none"> <li>Implement the final areas of recommendation from the Good Governance Project</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 but complete within 3 months of the final project report</li> </ul>
3	Implement “phase two” of the McCloud remedy – the calculation or recalculation of member benefits with the McCloud period (1 April 2014 to 31 March 2022) included	<ul style="list-style-type: none"> <li>Load the final hours and service breaks into the pension system</li> <li>Calculate new leavers and retirements with the McCloud period included</li> <li>Recalculate pension benefits for members since April 2014</li> <li>Certain Teachers service will be included as LGPS benefits</li> </ul>	<ul style="list-style-type: none"> <li>Revise benefits and adjust payments where necessary</li> <li>Develop a KPI for amending the benefits for scheme members</li> <li>Regular reports detailing progress and risk to the Pension Board</li> </ul>	<ul style="list-style-type: none"> <li>Additional time to process leavers and retirements from active (to check hours and run the McCloud calc)</li> <li>Additional time and resource recalculating cases since April 2014, and paying arrears where necessary</li> </ul>	<ul style="list-style-type: none"> <li>Pension colleagues (internal)</li> <li>Heywood (system changes)</li> <li>LGA</li> <li>Legal Services (potential for legal appeals)</li> <li>Teachers (multiple employment cases)</li> <li>Other public sector schemes for non-aggregations</li> </ul>	<ul style="list-style-type: none"> <li>All scheme members and their dependants</li> </ul>	<ul style="list-style-type: none"> <li>Deadline for completion for active cases August 2025 (for inclusion 31 March 2025 annual benefit statements)</li> <li>Other cases – still to be confirmed (but likely to be in 2025/26)</li> </ul>
4	Review and implement The Pension Regulators new Code of Practice	<ul style="list-style-type: none"> <li>Review the new code</li> </ul>	<ul style="list-style-type: none"> <li>Report progress to the Pension Board</li> </ul>	<ul style="list-style-type: none"> <li>Failure to comply could cause</li> </ul>	<ul style="list-style-type: none"> <li>Legal Services</li> <li>Hymans</li> <li>LGA</li> </ul>	<ul style="list-style-type: none"> <li>All scheme members</li> </ul>	<ul style="list-style-type: none"> <li>New code is expected in</li> </ul>

		<ul style="list-style-type: none"> <li>• Check the Fund’s compliance against all areas of the new code</li> <li>• Make any necessary changes</li> </ul>		breaches of pension law			<p>early 2024/25.</p> <ul style="list-style-type: none"> <li>• Implement changes within 3 months</li> </ul>
5	Agree with the Chair of the Pension Board training based on the “training need self-assessments” and Hymans on-line training solution	<ul style="list-style-type: none"> <li>• Training (internal and/or external)</li> </ul>	<ul style="list-style-type: none"> <li>• Report/s to the Board</li> <li>• Inclusion in the Fund annual report</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce risk</li> <li>• Increase awareness</li> <li>• Further support the Administering Authority</li> </ul>	<ul style="list-style-type: none"> <li>• All Board Members</li> <li>• Pensions Manager</li> <li>• Hymans</li> <li>• Legal Services</li> <li>• External Trainer</li> </ul>	<ul style="list-style-type: none"> <li>• Board Members</li> <li>• Admin Authority</li> <li>• Scheme members</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing – targeting completion of certain modules as detailed in Board reports throughout 2024/25.</li> </ul>
6	Formally review the Fund’s AVC provider	<ul style="list-style-type: none"> <li>• Review the market using the new national Framework Set up a tender</li> <li>• Score the tender</li> <li>• Write to the scheme members and Fund employers</li> <li>• Officers to consider new investment fund choices</li> </ul>	<ul style="list-style-type: none"> <li>• Results of a formal tender review process</li> <li>• Investment options</li> <li>• Member charges</li> <li>• Reports to the Board and Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Potentially a new or additional AVC provider</li> <li>• Liaise with scheme members about potentially swapping provider (if a new or additional provider is appointed)</li> <li>• Initially increased administration (during the tender build and</li> </ul>	<ul style="list-style-type: none"> <li>• National AVC Framework</li> <li>• Actuary</li> <li>• Officers</li> <li>• Fund employers</li> </ul>	<ul style="list-style-type: none"> <li>• Scheme members</li> <li>• Scheme employers</li> <li>• Heywood system provider</li> </ul>	<ul style="list-style-type: none"> <li>• August 2024</li> </ul>

				during implementation)			
7	Review the Fund's member tracing service and overseas pensioner process	<ul style="list-style-type: none"> <li>• Informally review the marketplace</li> <li>• Review possible Frameworks</li> <li>• Tender exercise</li> </ul>	<ul style="list-style-type: none"> <li>• Report/s to the Board</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce risk</li> <li>• Improve customer experience</li> <li>• Improved efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Heywood for possible system changes</li> <li>• Possibly a third-party provider</li> <li>• Possibly procurement or a National Framework</li> </ul>	<ul style="list-style-type: none"> <li>• Admin Authority</li> <li>• Scheme members and their dependants</li> <li>• Internal audit</li> </ul>	<ul style="list-style-type: none"> <li>• March 2025</li> </ul>

**Level Two – Changes that impact on or from Corporate Resources – nil**

**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
8	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 with Pension Team Managers</li> <li>• Monitor changes in legislation</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> <li>• Heywood for possible system changes</li> </ul>	N	Ian Howe	On-going  Quarterly reports to the Local Pension Board

		<ul style="list-style-type: none"> <li>• Monitor workloads</li> <li>• Monitor CIPFA benchmarking KPIs</li> <li>• Demonstrate value for money</li> <li>• Review in line with the outcome of the SAB Good Governance project</li> </ul>						
9	Implement ongoing customer service improvements	<ul style="list-style-type: none"> <li>• Team Managers to explore ongoing customer service improvement opportunities</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 including ongoing improvements to the helpdesk, capturing member feedback, communications, processes, online submission of data, member self-service</li> <li>•</li> </ul>	N	N	Ian Howe	On-going
10	Continue to develop a suit of Insight reports	<ul style="list-style-type: none"> <li>• Identify data improvement requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Short term to long term pension changes</li> </ul>	<ul style="list-style-type: none"> <li>• Improves efficiency</li> <li>• Reduces risk (e.g. over or under payments)</li> </ul>	N	N	Ian Howe	On-going

		<ul style="list-style-type: none"> <li>Look at various options on how Insights will improve efficiency covering all Teams</li> </ul>	reported monthly to Team Manager to monitor	<ul style="list-style-type: none"> <li>Eases workloads at year-end (spreading this throughout the year)</li> </ul>				
11	<p>Manage and reduce employer risk</p> <p>Keep the employer tracking system (EPIC) updated 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 outsourcings to pass-through pooling</li> <li>Work with the remaining CABs on reducing their Fund risk</li> <li>Monitor FE and HE bodies under a possible new DfE guarantee</li> </ul>	<ul style="list-style-type: none"> <li>Negating the need for full bonds where possible</li> <li>Assess bond values and take necessary action</li> <li>Inform the Board each quarter</li> </ul>	<ul style="list-style-type: none"> <li>Reduce fund related employer risk</li> <li>Reduce full bond values by moving to pass-through when appropriate</li> <li>Reduce outsourcing pension costs and risk</li> <li>Reduce the risk of default by new employers at TUPE</li> <li>Possible remodelling of FE and HE employer rates</li> </ul>	<ul style="list-style-type: none"> <li>Hymans</li> <li>Pensions Liaison Officer</li> <li>Legal services</li> <li>Employers</li> </ul>	N	Ian Howe	On-going
12	Achieve all the statutory deadlines – ABS by 31 August and pension taxation statements by 6 October	<ul style="list-style-type: none"> <li>Work closely with Fund employers, especially those changing payroll providers</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 Pensions Regulator</li> <li>Inform the Local Pension Board</li> <li>Reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>All fund employers and their payroll providers</li> <li>EMSS</li> </ul>	N	Ian Howe	31 August 6 October

13	Manage staff sickness levels within the Pension Section	<ul style="list-style-type: none"> <li>• Team Managers to continue to manage sickness to keep as low as possible</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
14	Continue to develop the right balance between office and home working solutions	<ul style="list-style-type: none"> <li>• Continue to reduce post moving more to MSS</li> <li>• Maintain close contact with all colleagues working from home</li> </ul>	<ul style="list-style-type: none"> <li>• Increase MSS take up targeting specific areas (e.g. members reaching age 55)</li> <li>• Target specific employers on MSS take up</li> <li>• Team Managers to liaise regularly with each member of their team</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain staff morale</li> <li>• Improved efficiency</li> <li>• Reduced risk</li> <li>• Maintain regular dialog with colleagues and adapt where possible to accommodate colleagues needs</li> </ul>	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 103,000 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

- Achieve or better, key performance indicators in business processes and customer satisfaction
- Develop bulk processes internally to improve efficiency and make resource available in other key work areas
- Implement phase two of the McCloud remedy
- Improve reporting and efficiency via Insights
- Implement a solution to the national dash boards exercise
- Maintain the right balance between home and office working, for both the service and colleagues

Ian Howe – 3<sup>rd</sup> January 2024

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