

Pensions Administration

Business Plan

2024-2025

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

2	SAB – Good Governance Project	<ul style="list-style-type: none"> Implement the final areas of recommendation from the Good Governance Project 	<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 but complete within 3 months of the final project report
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"> Load the final hours and service breaks into the pension system Calculate new leavers and retirements with the McCloud period included Recalculate pension benefits for members since April 2014 Certain Teachers service will be included as LGPS benefits 	<ul style="list-style-type: none"> Revise benefits and adjust payments where necessary Develop a KPI for amending the benefits for scheme members Regular reports detailing progress and risk to the Pension Board 	<ul style="list-style-type: none"> Additional time to process leavers and retirements from active (to check hours and run the McCloud calc) Additional time and resource recalculating cases since April 2014, and paying arrears where necessary 	<ul style="list-style-type: none"> Pension colleagues (internal) Heywood (system changes) LGA Legal Services (potential for legal appeals) Teachers (multiple employment cases) Other public sector schemes for non-aggregations 	<ul style="list-style-type: none"> All scheme members and their dependants 	<ul style="list-style-type: none"> Deadline for completion for active cases August 2025 (for inclusion 31 March 2025 annual benefit statements) Other cases – still to be confirmed (but likely to be in 2025/26)
4	Review and implement The Pension Regulators new Code of Practice	<ul style="list-style-type: none"> Review the new code 	<ul style="list-style-type: none"> Report progress to the Pension Board 	<ul style="list-style-type: none"> Failure to comply could cause 	<ul style="list-style-type: none"> Legal Services Hymans LGA 	<ul style="list-style-type: none"> All scheme members 	<ul style="list-style-type: none"> New code provided in January 2024

		<ul style="list-style-type: none"> • Check the Fund’s compliance against all areas of the new code • Make any necessary changes 		breaches of pension law			and due to come into force on 27 March 2024. <ul style="list-style-type: none"> • Implement changes within 3 months
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"> • Training (internal and/or external) 	<ul style="list-style-type: none"> • Report/s to the Board • Inclusion in the Fund annual report 	<ul style="list-style-type: none"> • Reduce risk • Increase awareness • Further support the Administering Authority 	<ul style="list-style-type: none"> • All Board Members • Pensions Manager • Hymans • Legal Services • External Trainer 	<ul style="list-style-type: none"> • Board Members • Admin Authority • Scheme members 	<ul style="list-style-type: none"> • Ongoing – targeting completion of certain modules as detailed in Board reports throughout 2024/25.
6	Formally review the Fund’s AVC provider	<ul style="list-style-type: none"> • Review the market using the new national Framework Set up a tender • Score the tender • Write to the scheme members and Fund employers • Officers to consider new investment fund choices 	<ul style="list-style-type: none"> • Results of a formal tender review process • Investment options • Member charges • Reports to the Board and Committee 	<ul style="list-style-type: none"> • Potentially a new or additional AVC provider • Liaise with scheme members about potentially swapping provider (if a new or additional provider is appointed) • Initially increased administration (during the tender build and 	<ul style="list-style-type: none"> • National AVC Framework • Actuary • Officers • Fund employers 	<ul style="list-style-type: none"> • Scheme members • Scheme employers • Heywood system provider 	<ul style="list-style-type: none"> • August 2024

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

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"> • Key focus on making payments to scheme members within the current KPI and customer satisfaction • Work closely with Pension Team Managers • Monitor changes in legislation 	<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 • Heywood for possible system changes 	N	Ian Howe	On-going Quarterly reports to the Local Pension Board

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

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

13	Manage staff sickness levels within the Pension Section	<ul style="list-style-type: none"> • Team Managers to continue to manage sickness to keep as low as possible 	<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
14	Continue to develop the right balance between office and home working solutions	<ul style="list-style-type: none"> • Continue to reduce post moving more to MSS • Maintain close contact with all colleagues working from home 	<ul style="list-style-type: none"> • Increase MSS take up targeting specific areas (e.g. members reaching age 55) • Target specific employers on MSS take up • Team Managers to liaise regularly with each member of their team 	<ul style="list-style-type: none"> • Maintain staff morale • Improved efficiency • Reduced risk • Maintain regular dialog with colleagues and adapt where possible to accommodate colleagues needs 	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 – 16th February 2024

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