

**Pensions Administration
Business Plan
2025-2026**

Level One – Changes that impact on the Pension Section

	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 • 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 new 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 • Increased sign up to the Fund’s new member self-service solution • Review and amend communications and letters to include the national pensions dashboard 	<ul style="list-style-type: none"> • Heywood (system provider) • Prudential for member’s AVCs • Fund employers • LGA 	<ul style="list-style-type: none"> • Pension Sections 107,000 scheme members 	<ul style="list-style-type: none"> • Project work – phased development and improvement • AVC data to the Fund – April 2025 • Ongoing data cleansing reports and checks – September 2025 • Reduce backlogs – ongoing • LGPS onboarding deadline (via the Heywood IS) – October 2025 • Communication – to align with national exercise

							<ul style="list-style-type: none"> • Dashboard proposed live date for all schemes - October 2026
2	SAB – Good Governance Project (included in the Fit for the Future consultation exercise)	<ul style="list-style-type: none"> • Implement the administrative final areas of recommendation (e.g. the expected peer reviews) • Monitor Government’s decision on Fit for the Future and implement any required changes 	<ul style="list-style-type: none"> • Await the outcome of the Fit for the Future consultation (closes 16th January 2025) • Hymans guide • Report progress to Board/Committee 	<ul style="list-style-type: none"> • Potential increase in administration changes from Fit for the Future • Improve the governance of the Fund • Reduce risk 	<ul style="list-style-type: none"> • Hymans • Pensions Investment Team • Legal (potentially) • Pensions Board, Committee and Democratic Services • SAB/LGA – peer reviews 	<ul style="list-style-type: none"> • Scheme members 	<ul style="list-style-type: none"> • No deadline set by SAB but an internal target - complete the administrative elements within 3 months of the final decisions
3	Implement “phase two” of the McCloud remedy – the retrospective recalculation of in scope member benefits with the McCloud period (1 April 2014 to 31 March 2022)	<ul style="list-style-type: none"> • Recalculate pension benefits for in scope members since April 2014 • Calculate LG benefits for in scope Teachers 	<ul style="list-style-type: none"> • Revise benefits and adjust payments where necessary • Implement a measure for tracking recalculated in scope cases • Regular reports detailing progress and risk to the Pension Board 	<ul style="list-style-type: none"> • Additional time to recalculate leavers and retirements • Additional time to pay any arrears due 	<ul style="list-style-type: none"> • Pension colleagues (internal) • Pensioner payroll colleagues • Heywood (system changes) • LGA • Legal Services (potential for legal appeals) • Teachers (multiple 	<ul style="list-style-type: none"> • All scheme members and their dependants 	<ul style="list-style-type: none"> • Upload remedy data in bulk, for all in scope members – Spring 2025 • Deadline for completion of 31 March 2025 annual benefit statements – August 2025 • Recalculate and pay arrears due to

					employment cases) • Other public sector schemes for non-aggregations		existing leavers and pensioners March 2026
4	Review the Fund's contractual arrangements in five areas. 1. Member tracing service 2. Mortality screening 3. Overseas pensions tracing 4. Overseas proof of life 5. Data quality reporting for Pension dashboard readiness	<ul style="list-style-type: none"> Review the market using one national tender Framework that covers the five areas Procure contract provider/s via the Framework Implement the five key strands 	<ul style="list-style-type: none"> Reports to the Board Greater data matching to reduce national dashboard partial matches Measure overseas pensioner overpayments 	<ul style="list-style-type: none"> Reduce risk Improve data quality Improve the customer experience Reduce potential fraud to deceased pensioners and overseas payments Improve operational efficiency 	<ul style="list-style-type: none"> Pension colleagues (internal) The successful provider/s Legal services on the contractual arrangements ICT National Framework Internal Audit 	<ul style="list-style-type: none"> Scheme members and their dependants Overseas pensioners People using the national dashboards 	<ul style="list-style-type: none"> Target date for completion of the five separate areas - March 2026 Within the five areas – the greatest priority area is data quality reporting for Pension dashboard readiness – September 2025 The second and third priorities are overseas tracing and proof of life – December 2025

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5	Implement the Fund system provider's replacement Member Self-Service (MSS) solution and develop a new Fund website	<ul style="list-style-type: none"> • Migrate the existing 30,000 scheme members from the current MSS to the new MSS • Develop the new MSS content • Develop a new Fund website • Liaise with a selection of Fund employers on the employer area content 	<ul style="list-style-type: none"> • Scheme members sign up rate • Ensuring scheme members can model their own retirement estimates • Reports to the Board 	<ul style="list-style-type: none"> • Increased administration during the set up • Resource required to write the new website content • Maintaining the accuracy of the new content 	<ul style="list-style-type: none"> • Pension colleagues (internal) • LCC's internal web team • Heywood – the system provider • Fund employers 	<ul style="list-style-type: none"> • Scheme members • Fund employers 	<ul style="list-style-type: none"> • December 2025
6	Implement the Fund's triennial fund valuation	<ul style="list-style-type: none"> • Agree the Fund valuation assumptions • Assess the indicative fund and employer rates • Assess employer risk • Target casework • Consult with employers on changes to the Funds Investment Strategy Statement (ISS) and Funding 	<ul style="list-style-type: none"> • Meet the required timetable for implementation by the statutory deadline of 31 March 2026 • Hymans to calculate the indicative rates • Reports to Board and Committee 	<ul style="list-style-type: none"> • Increased administration • Reports to Board and Committee • Pressure from employers to maintain or reduce their employer rates • Challenge from employers on the ISS, FSS and risk categories 	<ul style="list-style-type: none"> • Hymans (The Fund Actuary) • Pension Board and Committee • Pension colleagues (internal) • Fund employers and their advisers 	<ul style="list-style-type: none"> • All the Fund employers 	<ul style="list-style-type: none"> • Agree assumptions June 2025 • Draft changes to the ISS and FSS – Summer 2025 • Final whole fund results – September 2025 • Provide employers with indicative rates – October 2025

		<p>Strategy Statement (FSS)</p> <ul style="list-style-type: none"> • Liaise with the employers on their indicative rates 					<ul style="list-style-type: none"> • Consult with the Fund employers on the ISS and FSS changes - November 2025 • Final FSS and ISA approval – February 2026 • Completion of the valuation exercise 31 March 2026
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Level Two – Changes that impact on or from Corporate Resources

	Priority (Not business as usual)	Key Actions	Performance measures / KPIs	Impact	Support required from another service	Customer	Timescale / Due Date
7	County Council project; To implement Salary Sacrifice Shared Cost Additional Voluntary Contributions (SSCAVCs)	<ul style="list-style-type: none"> • Assist County colleagues implement SSCAVCs 	<ul style="list-style-type: none"> • Increased County AVC take up • Assist the County generate corporate savings 	<ul style="list-style-type: none"> • System changes in Fusion • Payroll changes • Communication exercise with existing and new AVC payers 	<ul style="list-style-type: none"> • The Pension Section • EMSS • Payroll • Corporate communications • Accountants • The Fund's AVC provider 	<ul style="list-style-type: none"> • Funds County AVC payers • Potential new County AVC payers • County Council 	Autumn 2025

Level Three – Pension Section (continuous improvement) – 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	Review and 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 • Target casework by age and employer • Work closely with Pension Team Managers • Monitor changes in legislation • Monitor and measuring workloads • Monitor CIPFA benchmarking KPIs 	<ul style="list-style-type: none"> • Report the 3-business process and 7 customer perspective KPIs to the Local Pension Board each quarter • Report casework by age and employer 	<ul style="list-style-type: none"> • Maintain and improve customer service • Highlights any falls in service so these can be addressed quickly • Promote colleagues working from individual task boxes to better manage and target casework • 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"> • 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 • Reduce calls to the helpdesk by directing members to an enhanced website 	<ul style="list-style-type: none"> • Implement new KPI's and review measuring techniques • Reduce phone calls 	<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 • Provide information more easily online, to enhance the customer experience 	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 • Look at various options on how 	<ul style="list-style-type: none"> • Short term to long term pension changes reported 	<ul style="list-style-type: none"> • Improves efficiency • Reduces risk (e.g. over or under payments) • Eases workloads at year-end (spreading 	N	N	Ian Howe	On-going

		Insights will improve efficiency covering all Teams	monthly to Team Manager to monitor	this throughout the year)				
11	Manage and reduce employer risk Keep the employer tracking system (EPIC) updated for monitoring employer changes and risks	<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 bodies under the 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 	<ul style="list-style-type: none"> Hymans Pensions Liaison Officer Legal services Employers 	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"> 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	Maintain a list of all fund policies and documents	<ul style="list-style-type: none"> Monitor and make changes as required 	<ul style="list-style-type: none"> Annual report to Board and Committee 	<ul style="list-style-type: none"> Failure to deliver the service Complaints and appeals Reputational damage 	<ul style="list-style-type: none"> Investment colleagues Democratic services Legal 	N	Ian Howe	On-going (annual review)

		<ul style="list-style-type: none"> Report changes to Board and Committee 			<ul style="list-style-type: none"> Internal audit 			
14	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
15	Develop staff training and succession planning	<ul style="list-style-type: none"> Team Managers continue to develop and monitor staff training Team Managers continue to consider/review succession planning Promote external training options (especially the Barnett Waddingham levels two and three, pension qualifications) Review apprenticeships 	<ul style="list-style-type: none"> One to ones Annual performance reviews Career grade progression Barnett Waddingham - Level two (equivalent to GCSE) – introduction to general pensions Barnett Waddingham – Level three (equivalent to A level) – LGPS specific training 	<ul style="list-style-type: none"> Increased risk of operational delays Failure to meet KPIs and targets Greater pressure on colleagues Reduced morale Complaints and appeals Reputational damage 	N	N	Ian Howe	On-going

			<ul style="list-style-type: none"> Barnett Waddingham (levels 4 and 5 once available) 					
16	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 Team Managers to maintain close contact with all colleagues working from home 	<ul style="list-style-type: none"> Increase new 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 107,000 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 solutions for member tracing, mortality screening, overseas proof of life and dashboard data quality
- Maintain the right balance between home and office working, for both the service and colleagues

Ian Howe – January 2025