

**Pensions Administration
Business Plan
2026 - 2027**

Level One – Changes that impact on the Pension Section

	Priority (<u>Not</u> business as usual)	Key Actions	Performance measures / KPI	Impact	Support required from another service	Customer	Timescale/ Due Date
1	Implement the final stages for the national “pensions dashboard” Project for LGPS and Additional Voluntary Contributions (AVCs) and go live	<ul style="list-style-type: none"> • Ongoing data cleanse member data • Ongoing reduction of preserved benefits and aggregations • 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 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 	<ul style="list-style-type: none"> • Pension Sections 109,000 scheme members 	<ul style="list-style-type: none"> • Reduce backlogs – ongoing • Communication – to align with national exercise Summer/Autumn 2026 • Dashboard proposed live date for all schemes - October 2026
2	SAB – Good Governance Project/Fit for the Future (admin elements) from April 2026	<ul style="list-style-type: none"> • Implement the administrative final areas of recommendation (e.g. admin strategy, peer reviews) 	<ul style="list-style-type: none"> • National guidance • Scheme Advisory Board • Report progress to Board/Committee 	<ul style="list-style-type: none"> • 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 Board, Committee and Democratic Services • SAB/LGA – peer reviews 	<ul style="list-style-type: none"> • Scheme members 	<ul style="list-style-type: none"> • Peer reviews - 3 years from April 2026 (to align with valuation cycle) • LGA reviews – ongoing (prior to the peer reviews) • Other admin changes – e.g.

2026

							admin strategy – 30 September 2026
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 Regular reports detailing progress and risk to the Pension Board 	<ul style="list-style-type: none"> Additional time to recalculate leavers and deaths 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 employment cases) Other public sector schemes for non-aggregations 	<ul style="list-style-type: none"> Revised in scope pensions Revised in scope transfers out Revised in scope death benefits Revised in scope trivial commutations 	<ul style="list-style-type: none"> Recalculate and pay arrears due to existing leavers and pensioners 31 August 2026
4	Review the Fund’s contractual arrangements. 1. Member address tracing service	<ul style="list-style-type: none"> Review the market using a suitable national framework Procure contract provider/s via the Framework 	<ul style="list-style-type: none"> Reports to the Board Measure cost efficiency improvements using procured provider/s for elements of 	<ul style="list-style-type: none"> Reduce risk Improve data quality Improve the customer experience Reduce potential fraud to 	<ul style="list-style-type: none"> Pension colleagues (internal) The successful provider/s Legal services on the 	<ul style="list-style-type: none"> Scheme members and their dependants National dashboards 	<ul style="list-style-type: none"> Target date for completion – Summer 2026

	2. Mortality screening		member address tracing and mortality screening	deceased pensioners <ul style="list-style-type: none"> • Improve operational efficiency and costs 	contractual arrangements <ul style="list-style-type: none"> • ICT • National Framework • Internal Audit 		
5	<p>Review the Fund’s contractual arrangements for an “end to end” pension administration system – to include;</p> <ul style="list-style-type: none"> • Calculations • Annual statements • Member online portal • Pensioner payroll • Image • Task/workflow • Reporting • Employer data submission • Dashboards requirements • Website 	<ul style="list-style-type: none"> • Review the market using a suitable national framework • Procure contract provider/s via the Framework 	<ul style="list-style-type: none"> • Reports to the Board • Drive system cost efficiency 	<ul style="list-style-type: none"> • Manage risk whilst still two full years on the existing contract remain • Secure a long-term contract to provide administration stability • Improve the customer experience with online opportunities • Security to mitigate the risk of hacking and fraud • Improve operational efficiency and costs 	<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 • Fund employers • Pension colleagues (internal) • Pensioner payroll colleagues (EMSS) 	<ul style="list-style-type: none"> • Target date for completion – March 2027
6	Review and implement pension changes from Local Government Reorganisation (LGR)	<ul style="list-style-type: none"> • New or amended employer rates • Employers ceasing 	<ul style="list-style-type: none"> • Reports to the Board • Measure workloads and 	<ul style="list-style-type: none"> • Increased administration time and costs 	<ul style="list-style-type: none"> • Pension colleagues (internal) 	<ul style="list-style-type: none"> • Central Government and the 	<ul style="list-style-type: none"> • Preparation from Summer/Autumn 2026 after

		<ul style="list-style-type: none"> • Comms to scheme members • Pension system changes to scheme member records • New employer discretions • Actuarial changes to employer assets and liabilities 	<p>impact on resource</p>	<ul style="list-style-type: none"> • Increased system costs • Increased actuarial costs 	<ul style="list-style-type: none"> • Pension investments • Fund employers • Heywood (system provider) • Hymans (Fund Actuary) • Board or Committee members 	<p>impacted employers</p>	<p>Government decide their favoured option</p>
7	<p>Implement changes from the outcomes of Access and Fairness and Access and Protection consultations</p> <p>Fairness</p> <ul style="list-style-type: none"> • Survivor benefits • Gender pension gap • Opt outs • Forfeiture <p>Protections</p> <ul style="list-style-type: none"> • Minimum pension age • Mayors and Cllrs 	<ul style="list-style-type: none"> • Implement the various changes • Test system changes • Contact impacted members or their families • Liaise with a new group of scheme members (Cllrs) and their employers 	<ul style="list-style-type: none"> • Reports to the Board • Measure workloads and impact on resource 	<ul style="list-style-type: none"> • Increased administration time • System changes and testing • Revised processes • Comms to impacted members • Comms to impacted employers 	<ul style="list-style-type: none"> • Pension colleagues (internal) • Heywood (system changes) • LGA • Employers – Acads • Outsourcing employers and the contractor 	<ul style="list-style-type: none"> • Scheme members and their families • Central Government • Employers • Contractors • Mayors and Cllrs 	<ul style="list-style-type: none"> • April 2026 onwards as the changes are implemented

	<ul style="list-style-type: none"> Acads – direction orders New Fair Deal 					
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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
8	County Council project; To implement Salary Sacrifice Shared Cost Additional Voluntary Contributions (SSSCAVCs)	<ul style="list-style-type: none"> Assist County colleagues implement SSSCAVCs 	<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 	Spring/Summer 2026

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
9	<p>Review and maintain the Local Government KPIs at or above target, for all areas of Local Government pension administration for;</p> <ul style="list-style-type: none"> • Fund Annual report • Quarterly Board reports • County Council quarterly KPIs • Monthly Pension Section management and colleagues • Covers timescales for work completion and work volumes 	<ul style="list-style-type: none"> • To meet all statutory reporting requirements. • Review and amend workflow tasks to enable correct reporting results • Ensure customer service remains highest priority in all areas covered in the KPIs (especially retirements, deaths and payments) • Target casework by age and employer • Work closely with Pension Team Managers • Monitor and measuring workloads 	<ul style="list-style-type: none"> • Fund annual report and Committee • Quarterly Board reports • Council quarterly KPIs • Monthly Pension Section management targets 	<ul style="list-style-type: none"> • Meet all statutory reporting requirements • 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 workflow task changes • Pension section colleagues for new tasks • Develop insight reporting 	N	Ian Howe	On-going throughout 2026

		<ul style="list-style-type: none"> • Demonstrate value for money 						
10	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
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"> • Implications of New Fair Deal (removal of admissions) – links to an element in point 6 • Continue to review bonds and guarantors 	<ul style="list-style-type: none"> • Negate the need for admissions/full bonds where possible • 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 (older cases) • Reduce outsourcing pension costs and risk 	<ul style="list-style-type: none"> • Hymans • Pensions Liaison Officer • Legal services • Employers • Contractors 	N	Ian Howe	On-going New Fair Deal – potentially 6 months after Regs are implemented

		<p>where appropriate</p> <ul style="list-style-type: none"> • Monitor FE bodies under the DfE guarantee 		<ul style="list-style-type: none"> • Reduce the risk of default by new employers at TUPE 				
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 the list of all fund policies and documents	<ul style="list-style-type: none"> • Monitor and make changes as required • Report changes to Board and Committee 	<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 • Internal audit 	N	Ian Howe	On-going (annual review)
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 	<ul style="list-style-type: none"> • One to ones • Annual performance reviews 	<ul style="list-style-type: none"> • Increased risk of operational delays • Failure to meet KPIs and targets 	N	N	Ian Howe	On-going

		<p>monitor staff training</p> <ul style="list-style-type: none"> • 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"> • 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 • Barnett Waddingham (levels 4 and 5 once available) • More qualified colleagues in the Section 	<ul style="list-style-type: none"> • Greater pressure on colleagues • Reduced morale • Complaints and appeals • Reputational damage 				
16	Implement 50% return to the office	<ul style="list-style-type: none"> • Team Managers to maintain close contact with all colleagues to facilitate a 50% return to the office 	<ul style="list-style-type: none"> • Set up a team monitoring system to record 50% home/office working • Measure and monitor performance 	<ul style="list-style-type: none"> • Manage staff morale • Monitor efficiency • Consider individual needs assessed against the policy • Maintain regular dialog with colleagues and make necessary 	N	N	Ian Howe	<p>April 2026</p> <p>On-going</p>

			through the Sections existing KPIs	adjustments where necessary <ul style="list-style-type: none"> • Ensure the working environment and equipment is suitable 				
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Pensions Administration

Overview

- Provides a statutory service administering the Local Government Pension Scheme to over 190 employers in the Leicestershire Fund with over 109,000 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
- Conclude phase two of the McCloud remedy
- Go-live of dashboards
- Implement solutions for member address tracing and mortality screening
- Prepare for the outcome of LGR

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