



# Avon Pension Fund

## Administration Strategy Statement 2015

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# **Pensions Administration Strategy Statement 2015**

## **INTRODUCTION**

The 1<sup>st</sup> April 2015 represents a key milestone in the governance arrangements of Local Government Pension Scheme's. From this date the Pensions Regulator takes responsibility for setting standards of administration and governance on all administrative aspects of the scheme, whilst newly established Local Pensions Boards will play an independent scrutiny role to 'assist' the Fund with its 'regulatory compliance, effective and efficient administration and governance'.

The Local Government Pension Scheme (LGPS) Regulations 2013 allows Pension Fund Administering Authorities to prepare a Pensions Administration Strategy ("the Strategy") for the sole purpose of improving the administrative processes within their LGPS Fund. These regulations are quite specific regarding the disclosure of information and performance statistics as part of this process but provide less guidance in terms of strategy.

The Avon Pension Fund ("the Fund") has revised its 2011 Strategy Statement to ensure the Governance and administration requirements of the Pension Regulator are properly addressed as they fall to the Fund and Employers.

### **1. AIMS**

The aim of this Strategy is to continue progress towards a seamless, automated pension service, employing appropriate technology and best practice which both significantly improves the quality of information overall and the speed with which it is processed to provide better information for Employers and stakeholders and a more efficient service to members. The Strategy recognises that significant work will need to be undertaken in achieving the Pension Regulator's compliance requirements and both the Fund and its Employers will need to work in partnership to meet this challenge.

### **2. LEGISLATIVE FRAMEWORK**

The Fund and its Employers must have regard to this Strategy when carrying out their Scheme functions. The Strategy is made in accordance with Regulation 59 of LGPS Regulations 2013 which allows administering authorities to prepare a Pension Administration Strategy following consultation with its Employers to facilitate best practices and efficient customer service in respect of the following:

- the establishment of levels of performance which the administering authority and its Employers are expected to achieve in carrying out their Scheme functions
- ensuring the Fund and its Employers comply with statutory requirements in respect of those functions

- improving the communication between the administering authority and its Employers of information relating to those functions.

The Strategy can also set out circumstances in which the Fund may consider giving written notice to any of its Employers under regulation 70 for additional costs on account of that Employer's unsatisfactory performance in carrying out its Scheme function.

Levels of performance achieved must be included within the Fund's Annual Report along with other matters arising from the Strategy that are considered appropriate.

All relevant regulations are set out fully in **Annex 1**.

### **3. KEY OBJECTIVES**

The key objectives of this Strategy are to ensure that:

- The Fund and Employers are aware of and understand their respective roles and responsibilities under the LGPS Regulations and in the delivery of administrative functions (largely defined in Service Level Agreements)
- The Fund operates in accordance with LGPS regulations and is aligned with The Pension Regulator in demonstrating compliance and scheme governance.
- Communication processes are in place to enable both the Fund and Employers to proactively and responsively engage with each other and other partners.
- Accurate records are maintained for the purpose of calculating pensions entitlements and Employer liabilities, ensuring all information and data is communicated accurately, timely and in a secure and compliant manner
- The Fund and Employers have appropriate skills and that training is in place to deliver a high quality service and effectively contribute to the changing pensions agenda
- Standards are set and monitored for the delivery of specified activities in accordance with Regulations and minimum standards as set out in each Employer's Service Level Agreement
- Administrative services are developed and delivered digitally as outlined in the ICT Strategy, in order to streamline processes and maintain costs at below or average levels

## 4. ACHIEVING THE OBJECTIVES

There are presently over 215 employers in the Fund differing in size, structure and capability which represents a significant logistical challenge to the management of information, processes and services within the Fund. It is clear that because of these differences a “one size fits all approach” would be unlikely to deliver workable solutions; however standard ways of operating applicable to different employer groups would bring benefits. The number of employers within the scheme continues to grow as does the demand for more accurate and timely information, needed to improve liability management at both the local and national level. Furthermore, the Pensions Regulator has introduced higher levels of compliance and the Fund will be required to demonstrate heightened governance and administrative efficiency.

There are four key elements necessary to achieving the Fund’s administrative objectives:

- A Communications Policy that:
  - (i) Ensures members have accessible and timely information on all aspects of their pensions benefits and informs and enables decisions in respect of their pensions
  - (ii) Enables Employers to make effective decisions in the management of risks and liabilities as well as facilitates engagement in the wider pensions debate
- A training plan that will offer direct engagement and support to employers and continue to enhance staff knowledge and skills to ensure efficient administration compliant with the Pensions Regulator requirements.
- An IT Strategy which will deliver high quality, efficient and integrated digital services to employers and members in an increasingly regulated and financially complex environment.
- A performance framework which will support the effective working of the Fund and enable both the Fund and Employers to deliver continuous improvement and move towards a higher standard of service.

### (a) Communications

The Fund aims to provide clear, relevant, accurate, accessible and timely information to all stakeholders. To this end, the Funds’ communications strategy is already well developed providing a wide range of solutions for all parties. However, with the increasing number of scheme employers and membership creating an increased need for information, the Fund is aiming to develop it’s communications strategy, embracing technology in a number of key areas.

Significant development to the website will provide stakeholders with a single secure access point to relevant services and a range of tools to help streamline and improve efficiency, support good governance and be cost effective. Access will be enabled across a range of social media applications and devices.

The Communication Policy Statement is attached as **Annex 2**

## **(b) Training and Engagement**

The objectives of the Fund have always been to keep stakeholders informed of new developments providing training courses and workshops for Employers and the Fund's staff alike when new Regulations are implemented or are under consideration. Additionally training is offered on an ongoing basis to new scheme employers or relevant new HR/Payroll staff.

With this in mind, it is important that both Employers and the Fund ensure that their staff have the right level of skills and knowledge to support any changes, starting with a sound foundation of existing regulations and administrative processes.

Notwithstanding future changes, there is an ongoing need to continuously maintain the quality of member records and the administrative processes by improving the quality of information received from Employers.

The aims of the training strategy are therefore:-

- To maintain a high standard of customer service for members and Employers
- To ensure that relevant staff within each Employer have sufficient knowledge and skills to effectively discharge administrative processes
- To ensure that Employers are fully aware of the risks involved in poor administration and maintenance of member pension records and if they fail to discharge of their discretionary functions
- Recognising the continued growth in employer portfolio – provide ongoing training platform on relevant employer responsibility
- Develop new chargeable resource package to offer direct engagement/support to employers to ensure meet TPR requirements.
- To support the implementation of new technology within the Fund enabling greater self service for the Employer and streamlined administration
- To continually develop the technical skills and competencies of the Fund's staff and retain knowledge in the application of historic regulations
- To identify and develop staff to become the future managers and professionals of the Fund as part of a workforce development plan
- To ensure that members of the Committee also receive adequate training to properly discharge their function.

To achieve this:

- the Fund will work with Employers' Human Resources, Payroll and other staff to identify relevant skills and knowledge gaps and develop an appropriate training programme
- Organise workshops and forums for Employers to debate new issues as they emerge
- Continue to invest in specific technical training and professional development of Fund staff
- Promote an ongoing programme of Committee member training and participation in national events to support governance arrangements

This training strategy will ensure that both the Fund and Employers have a common understanding of their obligations under their Local Government Pension Scheme, and that administrative processes are designed to maximise efficiency and effectively manage risk.

The Fund will provide training for Employers' relevant staff, to build up and maintain a level of professional expertise which together with the Employer's own systems and processes will enable Employers to deliver information required by the Fund to efficiently administer the Scheme.

### **(c) IT Strategy**

As part of the 2011 Strategy the Fund indicated it would be 'embracing technology' and that investment in upgraded software systems would enable the Fund to achieve fully integrated self-service applications for employers and members with the Fund and ultimately it proposed a programme to achieve full electronic data submission from employers by October 2012. At January 2015 approximately 75% of active scheme membership is covered by automated data submission. That these aspirations were not fully met can be attributed to a number of factors:

- The inability of software suppliers to focus on support and development of the relevant tools
- The introduction of the new 2014 LGPS CARE scheme
- Insufficient core skills to address technology requirements
- The continued growth in employer portfolio.

As part of the Pensions Administration Strategy 2015 the Fund proposes to develop and implement an IT Strategy designed to achieve the digital step change in service delivery. To achieve this the Fund has identified a number of key workstream developments to be implemented over the next three years.

Full details of the ICT Strategy are contained separately in **Annex 3**.

### **(d) Performance**

The Administration Strategy has a statutory obligation to set performance standards and publish both the targets and achievement against those targets. The purpose of doing so is to secure monitor continuous improvement of the administration function. **Annex 4** details the performance measures and proposed targets which will be monitored. The outcomes will be subject to external scrutiny by The Pensions Regulator, the Local Pensions Board and the Pensions Committee. Information is also published in the Pensions Fund' Annual Report. It should be noted that many of these targets are set to ensure compliance with *statutory* requirements that already exist.

New Service Level Agreements ("SLAs") will be agreed with Employers to set and monitor performance at the local level and will include all the targets for both the Fund and the Employer and will include areas relating to TPR compliance. The aggregated performance will be reported to the Avon Pension Fund Committee on a quarterly basis.

## Reporting on Performance

The Pensions Regulator codes of practice require scheme managers to keep records of information pertaining to member data across all membership categories. The Pensions Board will play an independent scrutiny role to 'assist' the Fund with its regulatory compliance and has the authority to report any serious concerns to the Pensions Regulator.

Assessment of the levels of administrative performance requires that agreed performance standards are continuously monitored and the results fed back to Employers. This will be achieved by the production of a Performance Report for each Employer to keep them fully informed of the efficiency of service delivery to the Scheme Members. The Performance Report will contain the key areas of performance and will be a working document. Reports will also take into account any TPR compliance issues and where the Fund identifies poor quality or missing data it will put a data improvement plan in place to address these issues.

The Performance Report will measure the efficiency of service processes covering early leavers, retirements, estimates and deaths in service between the Employer and the Fund to enable effective benefit processing and payment. The Report will also include, if appropriate, details of any complaints from members or employers and discretions not exercised or kept up-to-date by employers.

Review meetings to consider the findings will be held regularly with Employers and will identify problem areas and devise an action plan to improve service delivery. Information from the Performance Report will be made available to the Avon Pension Fund Committee and details of performance review will be included in the Fund's Annual Report.

### (i) Performance failures

As stated at the outset, the purpose of this Strategy is to secure improvement across the Administrative processes of the Fund. Both the Fund and each Employer need to play their part in ensuring this. However in areas of continuous poor performance the Fund has the ability to apply financial penalties and will ultimately do so but only as a matter of "last resort".

Where in the opinion of the Fund, it incurs additional costs because of an Employer's poor performance in carrying out its functions, the Fund will:

- a) give written notice to the Employer that it will be invoiced for an extra monetary amount in respect of these costs (in addition to its standard pension contributions)
- b) specify the basis on which the extra amount is calculated and the provisions of the Strategy which are relevant.

If an Employer feels that an additional allocation of costs is not warranted it would have access to the Avon Pension Fund Committee on which Employers have an Employer representative.



- c) The Pension Regulator imposes a statutory obligation to scheme managers and to the Local Pensions Board to report failures which are likely to be of material significance.

(ii) Opportunity to improve

It is the Fund's intention that a poorly-performing Employer will be given the opportunity to improve its poor performance before additional costs are imposed upon it.

However, if in the opinion of the Fund, that Employer fails to improve, the Fund will after consultation with the Employer issue an invoice payable by the Employer within 30 days of issue. The amount of the invoice will represent the cost to the Fund of the Employer's poor performance, plus any additional work by the Fund's officers charged at a staff charge out rate of £50 per hour (*subject to annual review at the start of each new financial year*).

(iii) Passing on "Statutory" Fines and charges

Where the Fund incurs a fine or charge for a breach of its statutory duties which is as a result of the Employer's performance failure (such as failing to provide the Fund with a change in a member's circumstances or supplying inaccurate or inadequate information for an employee member), the Fund reserves the right to require the Employer to reimburse it within 28 working days of the payment of the fine or charge. A list of charges is enclosed at Appendix 6.

## **Role of the Committee**

The Avon Pension Fund Committee is representative of all the Employers in the Fund (reflecting best practice) and as such has a duty to ensure that the Administration of the Fund is carried out efficiently and cost effectively. Its roles and responsibilities are set out in its *Terms of Reference* which form part of the Fund's Governance and Compliance Statement which is available on the Fund's website.

The Committee already receives quarterly reports in respect of the Fund and Employers administrative processes and this will be enhanced with information regarding matters of compliance required by the Pensions Regulator in respect of data. The summary results reported will be scrutinised by the Committee who will take action where appropriate.

The Committee annually reviews all Administrative targets and the costs of service delivery and will continue to do so in order to inform future changes to the Administration Strategy.

## **5. IMPLEMENTATION AND REVIEW**

The Strategy sets out the key objectives of all the major areas of pension administration within the Fund and takes effect from 01 June 2015. Prior to implementation a full consultation exercise will be undertaken with Scheme Employers. The Strategy will be further reviewed in 2017.



**Legislative Framework for the Statement****Local Government Pension Regulations 2013****Pension Administration Strategy**

**59.** —(1) An administering authority may prepare a written statement of the authority's policies in relation to such of the matters mentioned in paragraph (2) as it considers appropriate ("its pension administration strategy") and, where it does so, paragraphs (3) to (7) apply.

(2) The matters are—

- (a) procedures for liaison and communication with Scheme employers in relation to which it is the administering authority ("its Scheme employers");
- (b) the establishment of levels of performance which the administering authority and its Scheme employers are expected to achieve in carrying out their Scheme functions by—
  - (i) the setting of performance targets,
  - (ii) the making of agreements about levels of performance and associated matters, or
  - (iii) such other means as the administering authority considers appropriate;
- (c) procedures which aim to secure that the administering authority and its Scheme employers comply with statutory requirements in respect of those functions and with any agreement about levels of performance;
- (d) procedures for improving the communication by the administering authority and its Scheme employers to each other of information relating to those functions;
- (e) the circumstances in which the administering authority may consider giving written notice to any of its Scheme employers under regulation 70 (additional costs arising from Scheme employer's level of performance) on account of that employer's unsatisfactory performance in carrying out its Scheme functions when measured against levels of performance established under sub-paragraph (b);
- (f) the publication by the administering authority of annual reports dealing with—
  - (i) the extent to which that authority and its Scheme employers have achieved the levels of performance established under sub-paragraph (b), and
  - (ii) such other matters arising from its pension administration strategy as it considers appropriate; and
- (g) such other matters as appear to the administering authority after consulting its Scheme employers and such other persons as it considers appropriate, to be suitable for inclusion in that strategy.

(3) An administering authority must—

- (a) keep its pension administration strategy under review; and
- (b) make such revisions as are appropriate following a material change in its policies in relation to any of the matters contained in the strategy.

(4) In preparing or reviewing and making revisions to its pension administration strategy, an administering authority must consult its Scheme employers and such other persons as it considers appropriate.

(5) An administering authority must publish—

- (a) its pension administration strategy; and
- (b) where revisions are made to it, the strategy as revised.

(6) Where an administering authority publishes its pension administration strategy, or that strategy as revised, it must send a copy of it to each of its Scheme employers and to the Secretary of State as soon as is reasonably practicable.

(7) An administering authority and its Scheme employers must have regard to the pension administration strategy when carrying out their functions under these Regulations.

(8) In this regulation references to the functions of an administering authority include, where applicable, its functions as a Scheme employer.

#### **Additional costs arising from Scheme employer's level of performance**

**70.** —(1) This regulation applies where, in the opinion of an administering authority, it has incurred additional costs which should be recovered from a Scheme employer because of that employer's level of performance in carrying out its functions under these Regulations.

(2) The administering authority may give written notice to the Scheme employer stating—

- (a) the administering authority's reasons for forming the opinion mentioned in paragraph (1);
- (b) the amount the authority has determined the Scheme employer should pay under regulation 69(1)(d) (payments by Scheme employers to administering authorities) in respect of those costs and the basis on which the specified amount is calculated; and
- (c) where the administering authority has prepared a pension administration strategy under regulation 59, the provisions of the strategy which are relevant to the decision to give the notice and to the matters in sub-paragraphs (a) or (b).

### **Statements of policy about exercise of discretionary functions**

**60.** —(1) A Scheme employer must prepare a written statement of its policy in relation to the exercise of its functions under regulations—

- (a) 16(2)(e) and 16(4)(d) (funding of additional pension);
- (b) 30(6) (flexible retirement);
- (c) 30(8) (waiving of actuarial reduction); and
- (d) 31 (award of additional pension),

and an administering authority must prepare such a statement in relation to the exercise of its functions under regulation 30(8) in cases where a former employer has ceased to be a Scheme employer.

(2) Each Scheme employer must send a copy of its statement to each relevant administering authority before 1st July 2014 and must publish its statement.

(3) A body required to prepare a statement under paragraph (1) must—

- (a) keep its statement under review; and
- (b) make such revisions as are appropriate following a change in its policy.

(4) Before the expiry of a month beginning with the date any such revisions are made, each Scheme employer must send a copy of its revised statement to each relevant administering authority, and must publish its statement as revised.

(5) In preparing, or reviewing and making revisions to its statement, a body required to prepare a statement under paragraph (1) must have regard to the extent to which the exercise of the functions mentioned in paragraph (1) in accordance with its policy could lead to a serious loss of confidence in the public service.

(6) In this regulation a relevant administering authority in relation to a Scheme employer, is any authority which is an appropriate administering authority for that employer's employees.

### **Statements of policy concerning communications with members and Scheme employers**

**61.** —(1) An administering authority must prepare, maintain and publish a written statement setting out its policy concerning communications with—

- (a) members;
- (b) representatives of members;

- (c) prospective members; and
- (d) Scheme employers.

(2) In particular the statement must set out its policy on—

- (a) the provision of information and publicity about the Scheme to members, representatives of members and Scheme employers;
- (b) the format, frequency and method of distributing such information or publicity; and
- (c) the promotion of the Scheme to prospective members and their employers.

(3) The statement must be revised and published by the administering authority following a material change in their policy on any of the matters referred to in paragraph (2).

### **Pension fund annual report**

**57.** —(1) An administering authority must, in relation to each year beginning on 1st April 2014 and each subsequent year, prepare a document ("the pension fund annual report") which contains—

- (a) a report about the management and financial performance during the year of each of the pension funds maintained by the authority;
- (b) a report explaining the authority's investment policy for each of those funds and reviewing the performance during the year of the investments of each fund;
- (c) a report of the arrangements made during the year for the administration of each of those funds;
- (d) for each of those funds, a statement by the actuary who carried out the most recent valuation of the assets and liabilities of the fund in accordance with regulation 62 (actuarial valuations of pension funds), of the level of funding disclosed by that valuation;
- (e) the current version of the statement under regulation 55 (governance compliance statement);
- (f) for each of the funds, the fund account and net asset statement with supporting notes and disclosures prepared in accordance with proper practices;
- (g) an annual report dealing with—
  - (i) the extent to which the authority and the Scheme employers in relation to which it is the administering authority have achieved any levels of performance set out in a pension administration strategy in accordance with regulation 59 (pension administration strategy), and

- (ii) such other matters arising from a pension administration strategy as it considers appropriate;
- (h) the current version of the statement referred to in regulation 58 (funding strategy statement);
- (i) the current version of the statement under regulation 12 of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 (statement of investment principles)
- (j) the current version of the statement under regulation 61 (statements of policy concerning communications with members and Scheme employers); and
- (k) any other material which the authority considers appropriate.

### **Public Service Pensions Act 2013**

[2013 c. 25](#) [Administration](#)

#### **17 Regulatory oversight**

- (1) Schedule 4 contains provision relating to the regulation of schemes under section 1, new public body pension schemes and connected schemes.
- (2) The Secretary of State may by order make—
  - (a) provision consequential on Schedule 4, and
  - (b) further provision for, or in connection with, the regulation of public service pension schemes within the meaning of the Pensions Act 2004 (as amended by that Schedule).
- (3) The provision referred to in subsection (2) includes provision made by amending any legislation (including this Act).
- (4) An order under this section may make different provision for different purposes.
- (5) An order under this section is subject to—
  - (a) the affirmative procedure, if it amends primary legislation, and
  - (b) the negative procedure, in any other case.

#### **SCHEDULE 4 Regulatory oversight [section 17]**

Amends the Pensions Act 2004 to cover Public Service Pensions and the Pension Regulator involvement

## **Section 16**

### **Records**

- (1) The scheme manager for a scheme under section 1 and any statutory pension scheme that is connected with it must keep such records as may be specified in regulations made by the Secretary of State.

### **The Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014**

#### **Records**

3. For the purposes of section 16 of the 2013 Act, the scheme manager for a public service pension scheme must keep the records which are specified in regulations 4 to 6.

#### **Records of member and beneficiary information**

4.—(1) In respect of member and beneficiary information, the records which are specified are—

- (a) the name of each member and of each beneficiary;
  - (b) the date of birth of each member and of each beneficiary;
  - (c) the gender of each member and of each beneficiary;
  - (d) the last known postal address of each member and of each beneficiary;
  - (e) each member's identification number in respect of the scheme;
  - (f) the national insurance number of each member who has been allocated such a number; and
  - (g) in respect of each active member, deferred member and pensioner member—
    - (i) the dates on which such member joins and leaves the scheme;
    - (ii) details of such member's employment with any employer participating in the scheme including—
      - (aa) the period of pensionable service in that employment; and
      - (bb) the amount of pensionable earnings in each year of that employment.
- (2) In respect of each member's rights and, where applicable, of each beneficiary's entitlement, to any benefits which are not money purchase benefits, injury benefits or compensation benefits under the scheme, the records which are specified are—



- (a) any formula or formulas used for calculating the member's or beneficiary's pension or benefit;
  - (b) the percentage to be applied in respect of revaluation for each year to the member's accrued rights to benefits under the scheme; and.
  - (c) any increase to be applied to the pensioner member's or beneficiary's pension or benefit in payment in each year..
- (3) In respect of each member's rights to any money purchase benefits under the scheme, the records which are specified are—
- (a) any investment decisions taken by, or in relation to, the member;
  - (b) any investments held on behalf of the member; and.
  - (c) any anticipated date of retirement notified by the member..
- (4) In respect of pension credits under section 29(1)(b) of the Welfare Reform and Pensions Act 1999(1) (creation of pension debits and credits) or under article 26(1)(b) of the Welfare Reform and Pensions (Northern Ireland) Order 1999(2) (creation of pension debits and credits), the records which are specified are records of any information relevant to calculating each member's rights under the scheme which are attributable (directly or indirectly) to a pension credit.
- (5) In respect of pension debits under section 29(1)(a) of the Welfare Reform and Pensions Act 1999 or under article 26(1)(a) of the Welfare Reform and Pensions (Northern Ireland) Order 1999, the records which are specified are records of any information relevant to calculating any reduction in each member's rights under the scheme which are attributable to a pension debit.

## **Records of transactions**

- 5.** In respect of transactions, the records which are specified are—
- (a) any employer contribution or member contribution paid in relation to each active member;
  - (b) payments of pensions and benefits including the date of the payment;
  - (c) except where the payment is a payment under paragraph (b) or (f), payments made by, or on behalf of, the scheme manager to any person including—
    - (i) the name and address of the person to whom payment was made; and
    - (ii) the reason for that payment;
  - (d) any movement or transfer of assets from the scheme to any person including—

- (i) the name and address of the person to whom the assets were moved or transferred; and
  - (ii) the reason for that transaction;
- (e) the receipt or payment of money or assets in respect of the transfer of members into or out of the scheme including—
- (i) the name of that member;
  - (ii) the terms of the transfer;
  - (iii) the name of the scheme into or out of which the member has been transferred;
  - (iv) the date of the transfer; and
  - (v) the date of receipt or payment of money or assets;
- (f) payments made to any member who leaves the scheme, other than on a transfer, including—
- (i) the name of that member;
  - (ii) the date of leaving;
  - (iii) the member's entitlement at that date;
  - (iv) the method used for calculating any entitlement under the scheme; and
  - (v) how that entitlement was discharged;
- (g) payments made to any employer participating in the scheme;
- (h) any amount due to the scheme which has been written off in the scheme's accounts; and
- (i) any other payment to the scheme including the name and address of the person from whom it is received and, where a payment is made in respect of a member, the name of the member in respect of whom it is made.

### **Records of pension board meetings and decisions**

**6.—(1)** In relation to any pension board meetings, the records which are specified are records relating to any such meeting including—

- (a) the date, time and place of the meeting;
- (b) the names of all the members of the pension board invited to the meeting;

(c) the name of any person who attended the meeting and the capacity in which each attended; and

(d) any decisions made at the meeting.

(2) In relation to any other decision made by the members of the pension board in the exercise of their functions as members of the pension board, the records which are specified are records relating to any such decision including—

(a) the date, time and place of the decision; and

(b) the names of the members of the pension board who participated in making the decision.

(3) In relation to any decision made by a committee or sub-committee of the pension board which has not been ratified by the pension board, the records which are specified are records relating to any such decision including—

(a) the date, time and place of the decision; and

(b) the names of the members of the committee or sub-committee who participated in making the decision.

### **Amendment of the Occupational Pension Schemes (Scheme Administration) Regulations 1996**

7. For regulation 16A of the Occupational Pension Schemes (Scheme Administration) Regulations 1996) (exemptions from the requirement to notify the Authority or the member of a late contribution payment) substitute—

#### **“Exemptions from the requirement to notify the Authority or the member of a late contribution payment**

**16A.**—(1) Subject to paragraph (3), where an amount corresponding to any contribution payable on behalf of an active member of an occupational pension scheme—

(a) is deducted from that member’s earnings in respect of any employment; and

(b) is not paid to the trustees or managers of the scheme within the period of 19 days beginning on the first day of the month after which the deduction is made,

the trustees or managers do not need to give notice of the failure to pay that amount within that period to the Authority or member in the circumstances specified in paragraph (2).

(2) The specified circumstances are where the trustees or managers of the scheme are exempt from the requirement—

(a) to secure the preparation, maintenance and revision of a payment schedule for the purposes of section 87(1) of the 1995 Act (schedules of payments to money purchase schemes), by virtue of regulation 17; or

(b) to prepare, review and if necessary revise a schedule of contributions under section 227 of the 2004 Act (schedule of contributions), by virtue of any of subparagraphs (a) to (i) and (k) to (m) of regulation 17(1) of the Occupational Pension Schemes (Scheme Funding) Regulations 2005.

(3) Paragraph (1) does not apply in circumstances where the scheme is a public service pension scheme.

(4) For the purposes of this regulation—

“the 2013 Act” means the Public Service Pensions Act 2013;

“connected”, “new public body pension scheme” and “statutory pension scheme” have the meanings given in section 37 of the 2013 Act (general interpretation);

“public service pension scheme” means—

(a) a scheme established under section 1 of the 2013 Act (schemes for persons in public service);

(b) a new public body pension scheme;

(c) any statutory pension scheme which is connected with a scheme referred to in para (a) or (b).

### **Explanatory note for this amendment**

Under section 49 of the Pensions Act [1995 \(c. 26\)](#) trustees or managers must notify the Pensions Regulator and the member where there is a late payment of a contribution where such late payment is likely to be of material significance to the Pensions Regulator’s functions. Regulation 16A of the Scheme Administration Regulations sets out exceptions to that duty. The amendments mean that managers of public service pension schemes under the 2013 Act cannot benefit from the exception and will now be subject to the duty to notify.

## **Avon Pension Fund Communications Policy Statement 2015**

### **Avon Pension Fund vision statement:**

***“Avon Pension Fund delivers high quality, efficient and integrated services to members and employers at the forefront of innovation. We are renowned for high performance and effectively managing investments in a transparent and responsible way”***

### **Avon Pension Fund aims:**

- We work closely with members and employers to deliver better, more efficient and effective joined-up services
- We are recognised by members as integral to their life planning and financial well being
- We are recognised by employers as key partners supporting workforce and organisational developments
- Our staff are empowered, motivated and confident to re-design services to meet future demands
- We are committed to ongoing staff training and development
- We have a strong track record of leading the pensions sector with agility, creativity and innovation
- We have strong governance and are recognised for our transparency and consultative approach
- We deliver clear strategies to enhance the performance of the fund and our services and we continuously strive to improve.

### **Our communication aims:**

We are committed to delivering a consistently high level of performance and customer service. Effective communication is core to this commitment.

Our communication aims are to:

- provide clear, relevant, accurate, accessible and timely information to all our audiences and stakeholders
- listen and respond appropriately to feedback we receive
- use plain language and avoid unnecessary jargon
- use communication channels which best fit the audience and the information being passed on
- be a more electronic communication-based Fund, utilising new communication technology (web, email, social media)
- support members to enable them to make informed decisions about their pensions by making information available
- be compliant with all legislative requirements with regard to communicating with members, such as the Pensions Regulator and Pensions Board

### **What the policy statement covers**

The policy outlines the communications we provide to various audiences (our stakeholders, audiences and interested parties). A communications matrix shows an

at-a-glance overview of this (Appendix 1). Detailed information about the Fund's methods of communications is outlined in Appendix 2.

### **How do we communicate?**

When deciding how to communicate we take into consideration our audience and the cost to the Fund. We aim to use the most appropriate and effective means of communication for the audiences receiving the information.

Our aim is to conduct the majority of communication with members in electronic format (via our website, online member self-service, email) as we become a more electronic Fund. However we will follow Disclosure regulations, which say that we should write to members about changes to their pension and that they can request in writing for continued use of paper-based communications, even if the Fund conducts the majority of its communications digitally.

The IT strategy outlines the work streams to move the Fund to more digital communications.

### **Access to communication**

We want to ensure that all members can access our services, whatever their needs. All print and electronic communications are designed with consideration for those with additional needs. Our communications media is measured against accessibility standards and we can arrange large print, audio or Braille versions of all printed literature.

Increasingly we are using electronic forms of communication, but we will always offer members the opportunity to receive paper copies by post. Face-to-face and telephone communications will continue to be important channels for members to interact with the Fund and vice-versa.

### **Who we regularly communicate with:**

- Scheme members (active, deferred and pensioners)
- Employing authorities (referred to as "Employers")
- Prospective scheme members
- Prospective employers
- Representatives of scheme members (trade unions)
- Avon Pension Fund Committee
- Avon Pension Fund Board Board
- Other bodies / organisations – such as:
  - Media
  - Investment managers
  - Actuary
  - Other funds
  - Department for Communities and Local Government (DCLG)
  - Local Government Association (LGA)
  - The Pensions Regulator
  - Advisers / consultants

## Appendix 1 - Fund communications matrix

This outlines the current (as of March 2015) communication channels, their target audience and frequency

Communication material	Audience	Electronic	Paper based	Website	Face-to-face	Frequency	Reviewed
Avon Pension News	Active	✓	✓	✓		Twice a year	Ongoing
Avon Pensioner News	Pensioners	✓	✓	✓		Once a year	Ongoing
www.avonpensionfund.org.uk	All members / public	✓		✓		Ongoing	6 monthly
literature/publications/guides	All members	✓	✓	✓		Ongoing	Ongoing
“my pension online” (member self-service)	All members	✓	✓	✓		Ongoing	Ongoing
Pension clinics and seminars	All members				✓	Ongoing	
Personal appointments	All members				✓	Ongoing	
Benefit estimates	Active members	✓	✓			Ongoing	
Annual Benefit Statements	Active & Deferred	✓	✓	✓		Annual	Annually
Telephone and email contacts	All members/employers/public						
New starter packs	Active members	✓	✓	✓		Ongoing	Annually
www.apfemployers.gov.uk	Employers	✓		✓		Ongoing	6 monthly
Employer self-service (ESS) / iConnect	Employers	✓		✓		Ongoing	
Annual Report and Accounts	All members/employers/public	✓		✓		Annual	Annually
Employers' newsletter	Employers	✓		✓		4 times a year	Ongoing
Employer email updates and bulletins	Employers	✓		✓		Ongoing	Ongoing
Employer training and workshops	Employers	✓		✓		Ongoing	
Employers' Conference	Employers				✓	Once a year	
Employer Forum	Employers				✓	Twice a year	
Investment Forum	Employers				✓	Once a year	

## Appendix 2 - Methods of communication

### 1. What the Fund provides for *scheme members*

It is essential that scheme members are provided with appropriate information regarding the pension scheme and their own benefits, to enable them to make informed choices and decisions.

Scheme members cover:

- **Active members** (people who are currently in the employment of a participating employer - 34,846 members\*)
- **Deferred members** (people who have left the employment of a participating employer, but who have not yet retired - 35,321 members\*)
- **Pensioners** (people who are in receipt of a pension from the Fund - 25,985 members\*)

\*membership figures as of 31 March 2014

- ***Scheme literature/publications/guides***

The Fund produces all paper-based and electronic communications, such as brochures, guides or individual letters in a corporate and branded style. A guide to the Local Government Pension Scheme and a fuller more detailed guide are available to active members (and prospective members). These guides are also available electronically on the Fund's website, and in hard copy format (also available in Braille and audio versions). Forms and factsheets are also available from the website or upon request in hard copy. Often these are sent as part of correspondence with members.

- ***Internet***

The Avon Pension Fund has two websites, one of which is aimed at members. **[www.avonpensionfund.org.uk](http://www.avonpensionfund.org.uk)** is the Fund's public website for members, prospective members and the wider population. It's the Fund's main information resource for these different audience types. As well as an information resource on the LGPS the website contains downloadable forms and factsheets for members as well as being the portal for "my pension online" (see below for more details).

This website is currently (as of autumn 2014) being developed to provide a more customer-focussed content platform, with information relevant to the various audiences and member life stages. The site will have more self-service functionality such as online forms and closer integration with "my pension online", as well as being accessible on mobile platforms (tablets and smart phones).

- ***"my pension online" (member self-service)***

Through the Fund's public website, scheme members can securely access their pension details held on the Fund's pension database. This facility allows members to check their personal details and advise the Fund of changes and produce estimates of their potential LGPS benefits.

Pensioner members have the facility to view and/or print their Pensions Payment Advice slips and/or P60s.



- **Newsletters**

For active and deferred members the Fund produces its newsletter *Avon Pension News* at least twice a year. The newsletter contains articles on changes to the LGPS regulations, summary of the Fund's Annual Report and Accounts and any relevant information and promotional messages for members. The newsletter is currently posted to members, but it is also available electronically on the Fund's public website and through "my pension online".

For pensioner members, *Avon Pensioner Newsletter*, is produced at least once a year and is posted out to members along with their pay slip (usually in April). The newsletter includes information about pensions increase, pay day dates and reminders about changes of address or bank details. The newsletter is also available electronically online and through "my pension online".

- **Pension clinics and seminars**

Pension clinics for members are often held at the request of employers. This involves pension officers visiting employers' sites to discuss benefits on a 'one-to-one' basis with active members. Pension officers are also available to participate in pre-retirement seminars organised by employers.

- **Personal appointments**

Members can make appointments to visit the Fund to discuss their benefits on a "one-to-one" basis. The Fund's office opening hours are Monday to Thursday 8.30am to 5pm and Friday 8.30am to 4.30pm.

- **Annual Pension Benefit Statements**

Each year all active and deferred members are sent an Annual Pension Benefit Statement. Statements are sent by post to the home address or, alternatively, can be viewed on "my pension online".

The statement summarises the basic information we hold about them such as date of birth, hours of work, pay for pension purposes and gives estimates of the current and future value of the member's benefits. It also shows an estimate of the survivors' pension benefits.

Members may also request an estimate of benefits at any time, by phone, letter or email.

- **Pay advice slips and P60**

The Fund issues payslips to scheme pensioners in March, April and May each year. The April advice shows the effect of the annual pension increase and the May advice shows any tax changes. We do not send pensioners a pay slip during the rest of the financial year unless their pension amount changes by £5 or more. Early in the financial year pensioners also receive a P60 advice.

- **Telephone and email contacts**

The Fund has a dedicated telephone number (01225 477 000) and a free phone number for pensioners (0800 0644 155).

The fund has a generic email address for all enquiries:  
[avonpensionfund@bathnes.gov.uk](mailto:avonpensionfund@bathnes.gov.uk)

## **2. What the Fund provides for *new / prospective members***

- ***New starter packs***

Each member joining the scheme receives a new starter pack, issued along with their contract of employment. This pack contains a scheme guide that explains rights, benefits and options for the new employee, as well as information on transferring previous pension benefits. In most instances this pack is sent electronically via a web link to the Fund's website. Hard copies of the pack are available upon request from the employer.

- ***Website***

The Fund's website (under the 'Thinking of joining' section) contains information on joining the LGPS and the benefits of the scheme.

- ***Other employer communications***

The Fund actively works with employers to utilise their existing communication channels, such as intranets and noticeboards, to promote the pension scheme and its benefits to employees, where appropriate.

## **3. What the Fund provides for *employers***

To assist employers participating in the scheme, the Fund has a range of communication materials and methods to help increase their understanding of pension issues and to fulfil their responsibilities as scheme employers. By continuing to work in partnership we are all able to provide a better service to our members.

- ***Internet***

[www.apfemployers.gov.uk](http://www.apfemployers.gov.uk) is the website specifically dedicated to employers. The site is username and password protected and holds details specific to individual employer organisations, which only they can access (with the Fund having administrator rights). This is a popular and well-received resource as it provides a wealth of information and guidance for employers. There are downloadable forms and factsheets, an online bookable training system and links to the Employer Self Service facility (see below).

- ***Employer self-service (ESS)***

This enables employers to transfer and update data electronically to the Fund. This includes uploading new starters, pay changes and changes of member details. This links directly to the Fund's pension database system.

- ***iConnect***

The larger employers are now using this middleware software system to link transfer bulk member data from their payroll system to the Fund.

- **Annual Report and Accounts**

Our annual report, which contains the Fund's statement of accounts is available on both websites and a link is emailed to the employers.

- **Email updates and bulletins**

Ad hoc email messages and updates are sent employers with information about issues and training opportunities.

- **Employers' newsletter**

A branded electronic newsletter is sent to employers four times a year.

- **Employers' Conference**

All employers are invited to this annual event which includes presentations on topical pension issues including regulation changes.

- **Employer training and workshops**

The Fund offers a programme of training to all employers on the LGPS and their role in administering the scheme. Training covers the full range of administrative and regulatory activities, as well as ESS training. Workshops are also offered on specific topics, for example discretionary policies. Training and workshops are advertised on the employers' website, through email bulletins and newsletters, and are bookable online.

- **Employer Forum**

These forums keep employers up-to-date with LGPS developments and provide a forum to discuss common issues and share good practice. These are held twice a year.

- **Investment Forum**

The Investments Forum focuses on the investment strategy and actuarial developments. This is held once a year.

#### **4. What the Fund provides for *prospective employers***

The Fund provides information to prospective employers to ensure they understand the LGPS Regulations, their implications and the role of a scheme employer.

The Fund will provide information which facilitates a smooth transition in respect of prospective employers to which LGPS members may TUPE transfer, such as schools which become academies and contractors providing a service to a scheme employer. Information is available on the APF employers' website.

#### **5. What the Fund provides for *its staff***

Regular email bulletins are sent to staff to keep them updated with the activities of the fund. Training events and briefings on specific topics are held. All newsletters and other communications to members are shared with staff to ensure they are familiar with what the Fund is saying.

## **6. What the Fund provides for *Avon Pension Fund Committee***

The Avon Pension Fund Committee meets quarterly to monitor activities of the Fund and its administration and takes decisions as necessary. It gives the Fund its strategic direction.

The Committee exercises a wide range of powers over Fund administration under its Terms of Reference. The Investment Sub Committee meets more regularly to review investment performance and examine opportunities for improvement in investment strategy.

Reports of these bodies are made available to the public in advance on request and at meetings. The reports and minutes of these meeting are also available on the website.

## **7. What the Fund provides for *Avon Pension Fund Board***

- A dedicated website page on the council's public website
- Ad hoc articles in Avon Pension News

## **8. Liaison with other organisations**

The Fund maintains regular and ad hoc communications with the following organisations, providing information and responses where necessary:

- Trade Unions
- The media
- South West Area Pensions Officers Group (SWAPOG)
- South West Investment Managers (SWIM)
- Local Government Association (LGA)
- CIPFA Pensions Panel

## ICT Strategy

The ICT vision for Pensions Administration is to be able to “deliver high quality, efficient and integrated digital services to employers and members” in an increasingly regulated and financially complex environment.

This inevitably requires a step change in the way that the Fund and Employers work together and utilise technology for the benefit of all stakeholders. Specifically designed solutions are needed to achieve a significant degree of self-service, bringing greater efficiency in the wake of growing demand, releasing resources to support the control framework of the digital model and support employers directly at the front end and with higher value service.

### Drivers for change

Whilst many of the drivers for change have been known and emerging for some time, demand growth and the financial climate are now the catalysts for greater focus on IT as the Fund and Employers grapple with a number of significant pension changes.

- There has been significant growth in employers and membership bringing with it a commensurate growth in demand, fuelled by the need for information about the Care Scheme and the ongoing downsizing and reorganising of public sector service provision
- The Care scheme itself requires far more data to be maintained about employees, compounded by the necessity to regularly auto enrol opted out members and the data management requirements of the Pensions Regulator
- The membership structure is highly complex with alternative working patterns created almost daily as employers look for increasing flexibility across the workforce.
- The Government Actuaries department will also demand greater granularity of data as its cost sharing mechanism comes into force for future valuations from 2016
- Giving people greater freedoms over their pensions is a new ethos in the private sector and the impacts for public sector schemes are still to be understood.
- In the current financial climate, there is a need to operate as efficiently as possible and reduce the strain on the public purse and the Fund must play its part.
- The needs of employers are changing with many unaware of their complex pensions obligations and requiring the Fund to vary its service offer.
- Finally technology has taken major steps forward over the past decade in particular and the digital economy is now accessible to a wider community through mobile applications development, changing clients expectations about the way they want to engage with the Fund and want the Fund to engage with them

## **ICT Service Delivery Objectives**

ICT is now critical to the daily operations of the Fund Administration and is a key enabler of service improvement, sustainability and good governance. Its objectives can therefore be stated as;

- A. To manage control and make available accurate and timely member data to inform decision making and inform members and stakeholders about their respective benefits and liabilities
- B. To maintain a high level of compliance and Governance standards in the Funds transactional and information management arrangements.
- C. To make this information available via multimedia channels in a secure way to ensure that members and employers are able to access information and services through all available technology
- D. To enable self-service in all communications and transactions between the Fund, its members and Employers
- E. To enable a fully digitised operating environment where all casework is electronically managed and processed
- F. To enable services to be delivered at any location, at any time from any device
- G. To manage technology risk and provide business continuity
- H. To ensure that technology skills are continuously developed and refreshed
- I. To ensure that ICT support arrangements are capable of supporting a highly digitised operating environment and continuously developing efficiency and improvement opportunities
- J. To establish meaningful partnerships with software providers enabling the fund to realise its service delivery ambitions
- K. To establish effective partnerships with stakeholders, employers and other agencies and organisations delivering innovation and service excellence

## **ICT Improvement Strategy**

Whilst the Fund has invested significantly in ICT over the years there is further work that needs to be undertaken in order to enhance service provision and strengthen governance and development of this important area. The ICT Strategy therefor has several strands;

- Maximising the use of existing technology
- Developing new facilities and services
- Building effective partnerships with key partners
- Developing the ICT support function
- Developing Management information
- Investing in core skills
- Ensuring services are tailored to customer needs

## **Maximising the use of Existing Technology**

This has thus far is proved difficult for three reasons; the resourcing difficulties within employers, the priority and resourcing allocated to this within the Fund and the inability of suppliers to focus on support due to the developments required of the CARE scheme. Now that the Care Scheme has been established improving our existing functionality will now take priority, in particular mobilising case management automation, integrating existing work a-rounds into core product, data transfer to and from employers and extending self-service facilities.

## **Developing new facilities and services**

The Fund has identified a number of developments which will enable improved interaction with customers and employers. These include enhancements to the website and its functionality; building connectivity with related service providers (eg AVC) to provide a one stop shop for pensions; improving access channels to better reflect modern communication tools; Implementing a document management system either in conjunction with the Councils own development or with an external supplier; introduce an online actuarial tool enabling employers to better manage their funding position; improving mobility of staff to enable improved localised services; improved sign posting of services and a greater emphasis on self- service.

## **Building effective business partnerships with Suppliers**

A legacy of the way the ICT market has developed in the LGPS world is that there are very few providers and one with a dominant market share. Development when not driven by legislation is by means of consensus forcing a one paced response to demands. If the Fund is to manage its demand pressures effectively, a different relationship needs to be established whereby the Fund can advance its ideas and innovations in partnership with a committed supplier. This may mean that the Fund engages in more development and testing but will be rewarded with a more bespoke product rather than one which is designed by someone else. However it may also mean that the Fund will test the market to ensure that its suppliers are delivering value for money and the innovative solutions demanded of the future

## **Developing an ICT support function to support ongoing delivery and improvement**

ICT is supported in the Fund by a small team whose skills have developed as the system itself has developed. The core team of 3 FTE's is insufficient to support the step change in technology required and to effectively manage supplier relationships a more robust solution is sought. One option would be to grow the team, enhancing it with the necessary skills a further option would be to integrate with the Councils own Finance systems team which would provide wider access to skills and greater resilience. It may be that a combination of both is required

## **Developing management information**

As the fund continues its transformation journey the need for timely and useful management information is a necessity in ensuring effective and relevant service delivery and effective governance in the digital age. Such information in respect of performance, quality and accuracy, permeates all aspects of our service whilst information on demand growth is important in shaping services going forward. Compliance plays an increasingly important part in the need to develop good quality data sets particularly as the The Pensions Regulator sets out its agenda and the cap and collar mechanism has a bigger influence on contribution rates and benefits. Understanding more about the membership structure and performance is key to effectively managing it. The implementation of a fully automated TASK management system will enable comprehensive reporting on Fund and employer performance and revised reporting suites will be devised in line with TPR requirements for presentation to Pension Fund Committee and for Service Level meetings with employers.

## **Investing in core skills**

It is expected that over the next five years the focus of administration will move away from processing data to controlling information flows and customer engagement, requiring a change in some roles and an increase of ICT infrastructure support as systems grow in use and complexity. The Fund will need to continue to invest in these emerging core skills and will need to consider how it can maintain its resilience possibly through greater collaboration and partnership

## **Ensuring services are tailored to customer needs**

Pensions are hugely complex to the extent that most people will need some financial advice at some point in order to maximise their benefit or run the risk of not doing so. Government freedoms also mean that individuals need to consider the totality of their pensions together and this may even impact on career choices, opting in or out and personal relationships. Whilst not overtly stated the direction is clear in that we need to work more closely with other agencies if we are to help individuals navigate this complex path. More importantly though our communication strategies and the tools we use will be crucial to getting that message across.

## **Key Delivery Stages**

The APF is in a strong starting position from which to make further improvements but nevertheless the developments will require a programmed approach over a period of three or more years

The most effective way of delivering the strategy is through a number of structured workstreams as follows

### **Workstream 1:-**

#### **Phase 1 - Putting in place the necessary ICT support structure (April to December 2015)**

This will enable all project developments to be properly governed and managed and the emerging operating environment to have the appropriate



control infrastructure; and will include putting in place localised staffing support, contractual review and delivery arrangements

### **Phase 2 – Investing in Core skills (current & ongoing)**

This will primarily support Phase 1 to ensure sufficient system knowledge to support the activities of the administration. There will be ongoing user training as part of the Funds on training programme or project implementations for specific stakeholder groups. It is anticipated that embedded working can take place with our suppliers to enhance systems knowledge.

### **Workstream 2: – Creating a shared development Agenda with Software Suppliers (current to end 2015)**

This will focus on a number of critical areas

- Improving processes within the system administration in particular automating those process which still require excessive intervention (ie; known error list)
- Consolidating the Employer entry portals to a single access channel which caters for all categories of employer and transaction
- Developing the self-service agenda for employers effectively automating processes and removing Fund intervention
- Implementing Document Management System
- Developing online Actuarial tool kit.

### **Workstream 3: Electronic Delivery of Employer Data (current to end 2016/17)**

This will enable the automated transfer of pension's data and facilitate other transactional activity between most employers and the Fund, to update member records on a continuous basis with minimum intervention – currently at 75% expected to achieve 99%

### **Workstream 4: Developing Website and Members Services (Ongoing to March 2017)**

This will involve both enhancements to systems and website to provide a suite of information and functionality delivering more relevant information to users, targeted where possible, greater use of nationally available material such as video and training suites, and greater self-service functionality.

### **Workstream 5: Developing Operational Processes and Management Reporting (current – Sept 2015)**

This workstream will

- Prioritise the Pensions Regulator Improvement plan requirements and then develop reporting data to enable better understanding of the membership mix, workload generation, performance and employer profiling.
- Streamline workflow and Task Management with the aim of guiding Administrators through processes

- Introduce Process Automation
- Remove paper trail
- Redesign and automate management & employer reporting.

A high level implementation roadmap is attached for information showing the key stages of delivery. More information will be made available to employers and members as the workstreams are implemented.

DRAFT

## Our performance standards of service to members

This outlines service standards and response times that you can expect from us. Service standards for employers are covered in Service Level Agreements.

Who	Service	Actions / triggers	Timescale
New active members	Transfers in	Acknowledge the member's request for transfer details, calculate the estimated benefits that a transfer value will buy for the member and issue a quotation, following receipt from the member's previous scheme and any additional essential information required from Her Majesty's Revenue and Customs (HMRC)	Within <b>10 working days</b>
		Request payment of the transfer value, following confirmation from the member that the transfer is to be made	Within <b>10 working days</b>
		Confirm the actual benefits purchased by the transfer value to the member, following receipt of payment from the member's previous scheme and confirmation (where necessary) of the member's accrued guaranteed minimum pension (GMP) from HMRC	Within <b>10 working days</b>
Existing active members	Benefit estimates	Issue a quotation, following request	Within <b>10 working days</b>
	Annual Pension Benefit Statement	Send member statement, provided pay details are received from employers promptly after the close of each financial year and that we hold all of the relevant information  Statement sent to the member, either by post (to their last known address) or electronically through "my pension online" via the Fund's website	<b>Annually</b> (by 31 August)

		<p>The statement will show:</p> <ul style="list-style-type: none"> <li>• the estimated current value of their accrued benefits</li> <li>• the value of their prospective benefits at normal pension age</li> <li>• the estimated current value of their death-in-service benefits</li> </ul>	
	<b>Paying extra contributions</b>	Provide information to member wishing to pay extra contributions to buy additional pension benefits (Additional Pension Contributions) following request	Within <b>10 working days</b>
	<b>Retirements</b>	Send details of the benefits payable and pay the member's tax-free cash lump-sum, following receipt of the information required from the member's employer and/or the member	Within <b>20 working days</b>
	<b>Deaths</b>	Send initial letter acknowledging death, following receipt of the information required from the late member's employer	Within <b>5 working days</b>
		Pay the lump-sum death grant, following receipt of Grant of Probate (or other appropriate documentation) or authorisation from two delegated officers	Within <b>5 working days</b>
	<b>Early leavers</b>	We will send details of the benefit options available, following receipt of information required from the employer	Within <b>20 working days</b>
	<b>Refunds</b>	Pay a refund following member's request for payment	Within <b>10 working days</b>
	<b>Transfers out</b>	Issue a quotation (guaranteed for three months) following member's request and confirmation of the member's accrued GMP/State Second Pension from HMRC	Within <b>10 working days</b>
		Pay the transfer value, once confirmation from the member that the transfer is to be made and all of the information we require to make payment is received	Within <b>10 working days</b>
	<b>Newsletters</b>	Send, either electronically or by post, a newsletter (Avon Pension News) to members	At least <b>twice a year</b>

<b>Deferred members</b>	<b>Benefit statements</b>	Provide a benefit statement following deferred member's request for details of the current value of their deferred benefits	<b>Within 10 working days</b>
	<b>Annual Pension Benefit Statement</b>	Provide each deferred member with a benefit statement, showing the current value of their preserved benefits, provided we have a current address	<b>Annually (by 31 August)</b>
	<b>Deferred Benefits into Payment</b>	Provided we hold a confirmed address we will write to the deferred member requesting an original birth certificate plus the member's National Insurance number before we send details of the benefits that are due and any options that may be available. If we cannot confirm the address we will make every effort to trace the deferred member	<b>Within 1 month prior to NPA</b>
<b>Pensioner members</b>	<b>Changes in personal details</b>	Update a pensioner's payroll record with any changes to personal details following receiving written notification (by post or email)  Due to the nature of payroll administration, such changes may not take effect until a subsequent payroll has been run. Confirmation of changes to bank details will be advised on the next available pay advice	<b>Within five working days</b>
	<b>Newsletter</b>	We will send, either electronically or by post, a newsletter (Avon Pensioner News) to pensioners. This will be sent out with the pension pay advice slips	<b>At least once a year</b>
	<b>Deaths</b>	Acknowledge receipt of a notification of the death of a pensioner and start action to put into payment any dependants' benefits, following notification	<b>Within four working days</b>

# Avon Pension Fund Customer Service Charter

The Avon Pension Fund aims to give a consistent level of service to customers, in an efficient, effective and courteous way, no matter how customers contact us.

Our **Customer Standards** apply to all our services and mean that customers can get the responses they need, consistently across the entire Fund. When dealing with enquiries, we will:

- Be helpful, polite and accessible, identifying and addressing any specific needs with sensitivity, tact and diplomacy
- Aim to deal with things as quickly as possible and follow through to deliver what we promise, dealing with any problems that arise
- Ensure that the information we give is timely, accurate and comprehensive
- Ensure we treat our customers fairly
- Use appropriate technology to manage and fulfil our customer requests , recording contact details accurately and securely, and treating communications confidentially
- Where appropriate, provide enquiry references so that details can quickly be recalled, if needed
- Regularly ask for feedback about our customer service – and use this feedback to help shape the services we deliver
- Ensure our services are easy to access, no matter which way we are in contact, as detailed in the table below.

## **In return we need you, our customer, to:**

- tell us clearly and succinctly the nature of your enquiry
- give us the correct information at the right time
- let us know if you no longer require a service, or wish to cancel an appointment we have previously made for you
- inform us of any change to circumstances such as address, status and contact details
- tell us if we exceed your expectations or don't deliver a service to your satisfaction
- treat our staff courteously and politely

<b>When we are in contact</b>	<b>Our Customer Standard</b>
<p><b>In Person</b></p> <p>Whenever we meet, whether you visit us at any of our offices and facilities or if we arrange to come to you.</p>	<p><b>We will:</b></p> <ul style="list-style-type: none"> <li>• Offer a welcoming efficient service</li> <li>• Ensure our identity badges are visible at all times</li> <li>• Display opening times and be open when we say (our office opening hours are Monday to Thursday 8.30am to 5pm and Friday 8.30am to 4.30pm)</li> <li>• Provide a safe, tidy and clean environment for you to visit and use</li> <li>• See you on time when you have made an appointment at our offices. If we have to cancel appointments, we will let you know and re-book a mutually agreeable time</li> <li>• Aim to minimise the amount of time you wait to see someone, and;</li> <li>• Keep you informed of current waiting times</li> </ul>
<p><b>By Phone</b></p> <p>When we need to use the phone.</p>	<p><b>We will:</b></p> <ul style="list-style-type: none"> <li>• Publish our contact phone numbers to allow easy access to our most frequently requested services and aim to answer 80% of calls within 45 seconds (15 rings) during service opening hours.</li> <li>• Route enquiries and requests to the most appropriate trained and knowledgeable person/team to deal with your enquiry</li> <li>• Always answer the phone giving our name and department</li> <li>• We will take a message and ensure the right person calls you back if we cannot respond immediately</li> </ul>
<p><b>In Writing (email or letter)</b></p> <p>Whether you write to us by email, letter or via our online webpage forms.</p>	<p><b>We aim to:</b></p> <ul style="list-style-type: none"> <li>• Respond to all written enquiries within 10 working days. This means either: <ul style="list-style-type: none"> <li>○ A full response to your enquiry, or;</li> <li>○ If we need to take longer to give a fuller response, we'll tell you why and what the next steps are, or;</li> <li>○ Some email or web-based requests may be automatically acknowledged immediately and provide information about next steps</li> </ul> </li> <li>• Write clearly and concisely, so that information is easy to read and understand</li> <li>• Include a named contact person and phone numbers in our correspondence when appropriate</li> <li>• Use email wherever possible but use another method if it's your preference or a statutory requirement</li> </ul>
<p><b>By web and web-self service</b></p> <p>We provide many self-serve online services, available to use 24/7.</p>	<p><b>We will:</b></p> <ul style="list-style-type: none"> <li>• Make more of our services available online, to use at a time that suits you</li> <li>• Ensure our online services can easily be found on our website, are clear and easy to use</li> <li>• Operate secure online services, where your personal data is safe</li> <li>• Explain clearly how to contact us in other ways if you need support</li> </ul>

<p><b>However you contact us</b></p> <p>For some specific types of customer request we work to defined business processes or statutory timescales.</p>	<p><b>Comments, compliments and complaints</b></p> <p>We welcome feedback about any aspect of the service we provide. You can make a comment, compliment or a complaint by contacting:</p> <p style="padding-left: 40px;">Geoff Cleak Pensions Manager <b>Avon Pension Fund</b> <b>Bath and North East Somerset Council</b> <b>Lewis House</b> <b>Manvers Street</b> <b>Bath</b> <b>BA1 1JG</b></p> <p><b>Email:</b> <a href="mailto:avonpensionfund@bathnes.gov.uk">avonpensionfund@bathnes.gov.uk</a></p> <p><b>What if your complaint has not been resolved or you're not satisfied with the outcome?</b></p> <p>If you are not satisfied with any decision affecting you, you have the right to ask for it to be looked at again under the formal complaint procedure, known as the <b>Internal dispute Resolution Procedure (IDRP)</b>. More information can be found on our website at: <a href="http://www.avonpensionfund.org.uk/customerservice/complaintsprocedure.htm">http://www.avonpensionfund.org.uk/customerservice/complaintsprocedure.htm</a></p> <p><b>Freedom of Information (Fol) requests</b></p> <ul style="list-style-type: none"> <li>• We are required to respond within 20 working days</li> </ul>
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## Schedule of Additional Administration Charges

### Avon Pension Fund Schedule of additional charge to employers for Non-Compliance

Most Employers submit accurate data and pay correct pension contributions on time. However when there is **late or inaccurate submission of data or late payment** of contributions the consequent costs to the Fund are met from *all* Employer's contributions which is unfair.

In order to promote efficiency, reduce costs and better target the costs of non-compliance, the following **additional** charges will be made.

Item	Trigger	Additional Charge
Monthly contributions LGPS50 forms	Late submission	£50 per occasion
Monthly Contributions	Late Payment	Interest at base rate plus 1% as per the 2013 LGPS regulations
Year End LGPS51 form and Pensionable Pay data	Late submission or incomplete or poor quality	£250 per occasion plus £100 per month or part <i>thereof</i>
Starter Forms	Submission later than SLA target	£50 per month per electronic notification
Leaver Forms	Submission later than SLA target	£50 per month per electronic notification
Disproportionate work	Any data submissions or actions that create a disproportionate amount of work (*also see below)	£50 per hour of additional work

*Avon Pension Fund is committed to implementing <b>electronic processing and delivery</b> . As these facilities become available and are introduced to Employers, the Fund reserves the right to make additional charges for disproportionate work to those Employers who fail or refuse to adopt them.	£50 per hour of additional work
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*It is currently estimated (for indicative purposes) that the additional work undertaken as a consequence of chasing / processing late submissions of the year end data will be <b>one hour for each month that data is late</b> .
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