

WORK PLAN AS 24 JUNE 2011 - APPENDIX 2

WORKPLAN - PENSION ADMINISTRATION TO 31 MARCH 2012

Project	Proposed Action	Report
<p>Employer Access –change of provider to Heywood</p>	<p>Employer Access (a heywood software application) is a replacement for Gandlake which was withdrawn in late 2010. The new facility allows Employers to do their own member estimates and Strain on the Fund costs calculations for redundancies and to advise the Fund on member data changes, including leavers’ details has been tested by APF staff in “test” put into “live” mode. It is now subject to further testing for one week by a nominated employer. It will be rolled out to all employers during June 2011.</p>	<p>N/A</p>
<p>Administration Strategy/ Partnership (SLA) Agreements</p>	<p>Full consultation with employers on the Pensions Administration Strategy (“PAS”) document took place in October 2010 and PAS was approved by the Avon Pensions Fund Committee in December 2010.</p> <p>APF will be working with all employers to put SLAs in place during 2011. All employers have a deadline to submit employee changes electronically by 2012. Officers will work closely with employers to help them achieve this using the most appropriate method (which will depend on the level of activity). EDI will continue, to be in place for all Employers in 2012 (see below)</p> <p>The Strategy incorporates communication, employer staff training and technological enhancement /development (e.g. Electronic Data Interface (“EDI”) Monitoring) Regular review meetings will be integral to a successful process. The document is a positive way forward to improve ongoing working between the Fund and its 111 diverse employers.</p>	<p>N/A</p>
<p>Fair Deal – review of the current policy (inc option to remove Fair Deal)</p>	<p>The government has issued a consultation paper for the treatment of pensions on compulsory transfer of staff from the public sector under The Fair Deal Policy There is a range of options for future policy on pension requirements for staff transferring out of the public sector due to outsourcing. This spans from keeping the Fair Deal policy in its current form to removing it.</p> <p>Responses to the consultation paper must be by 16 June. APF will be responding before this. The paper was sent to employers in April with an explanation of the ramifications of the possible changes so that they can respond appropriately.</p>	<p>As required</p>

	Removal of the option for outsourced staff to remain in the LGPS would have significant consequences for the Fund and for the outcome of future outsourcings.	
EDI - auto designer interface	EDI is included in PAS. (see above) The Fund Officers will work closely with Fund employers' staff to meet the agreed target dates in 2012 for all employers to provide all member data changes electronically	N/A
Post Hutton Review consultation	<p>The Hutton Report was published in March this year and has concluded that the benefits of the Scheme on a final pay basis are not sustainable / affordable and outlined potential changes to the benefit structure going forward. A move to to defined contribution scheme (money purchase has been ruled out and a CARE scheme (a generally less generous final pay type scheme looks the most probable replacement for future benefit accrual). Combined with a separate government proposal to increase member contribution rates on tiered basis over the next 4 years could result in a large number of members opting out of the Scheme. This would threaten its financial viability and continued existence. APF Officers will be monitoring member Opt Out rates going forward and reporting these to the government to properly inform it before it proposes final changes to the LGPS Scheme.</p> <p>Any major changes however are not expected to be put into effect before 2015. However the consultation period on potential changes is expected to open in November this year and significant work by APF Officers is required to Inform and educate both members and employers on the ramifications for them in respect of benefits (members) and costs (employers) to allow them to actively participate Sessions for both members and employers will be held in the autumn to communicate the proposed changes and their ramifications to allow them to participate in the government consultation.</p>	As required
Data cleanse (following Actuarial Valuation)	Data Cleansing is continuing following data reconciliation for the 2010 Actuarial Valuation for which errors and outstanding queries were dramatically reduced.	N/A
Increased workload	With the expected downsizing by local authorities and other major employers a higher than normal level of work on estimates and benefit processing is expected in 2011 and two years beyond.	N/A