

Bath & North East Somerset Council	
MEETING:	Avon Pension Fund – Local Pension Board
MEETING DATE:	2nd September 2025
TITLE:	PENSION FUND ADMINISTRATION Performance Report
WARD:	ALL
AN OPEN PUBLIC ITEM	
<p>List of attachments to this report:</p> <p>Appendix 1 – Administration Update (To Follow)</p> <p>Appendix 2 – TPR Data Improvement Plan</p> <p>Appendix 3 – Pensions Administration Strategy</p> <p>Appendix 4 – Communication Policy</p>	

1 THE ISSUE

The purpose of this report is to present the Fund's administration performance for the period up to and including 31st July 2025 vs key performance indicators (KPI's).

2 RECOMMENDATION

The Board:

- Notes the service performance for the period ending 31st July 2025.
- Gives their support to the revised Pensions Administration Strategy and Communications Policy for final approval at Pensions Committee on 26th September 2025.

3 PERFORMANCE

Appendix 1 includes updates on:

- Performance of service vs SLAs¹.
- Status 2's position.
- Key projects affecting administration.

4 Recruitment & Development

4 officers joined the fund in the last quarter, leaving the fund with 3.4 vacant posts across the Administration and Business Change teams. 4 Officers are

¹ service level agreements

starting the new LGPS Pension Administration qualification which lasts 18 months.

5 McCloud

On 12th August as part of the Administration Strategy workshop the Board were briefed on the funds plan to exercise its discretion to make a determination in respect of McCloud. This will give the fund until 31 August 2026 to complete all remedy cases. All board members agreed with the fund's decision.

6 Pensions Administration Strategy & Communication policy

The Board met on 12th August to review and discuss the new proposed strategy. Following feedback given to the fund, the final versions can be found in Appendix 3 & 4. The fund seeks the Board's approval of the new strategy and communication policy.

7 Pensions software migration

The fund successfully migrated to the Heywood hosted environment on 21st July. Following this success, work has begun on two key projects, 1) Integrated data cleansing 2) New member portal.

8 Pensions Dashboard & ISP (Integrated Service Provider)

ISP implementation is progressing well and on track for connection by 31 October 2025. The fund has completed Phase 1 user acceptance testing of data reports and matching criteria and is working with Heywood to complete Phase 2 Dashboard connection activities. The fund's registration to the Pensions Dashboard Programme has been submitted by Heywood and approved. Engagement with AVC providers continues including finalising integration agreements and data reconciliation processes. A further update will be given at the meeting.

9 Access & Fairness Consultation

In May 2025 MHCLG published the 'Access and Fairness' Consultation. This consultation seeks to address many regulation anomalies and bring about change to make benefits from the LGPS scheme fair to all.

The primary areas that the Government are looking to make change are:

- Survivor and cohabitee pensions
- Death grants
- Opt out and gender gap reporting

Despite supporting the consultations, the fund had reservations due to the impact of such regulation change and possible associated timescales for any remedy and reporting as follows:

For Survivor benefits, cohabitee pensions and death grants, the regulations will be changed retrospectively and so this will mean re-visiting past death cases, some as far back as 2005 when the respective marriage law changed.

As a relatively large fund, the work to identify, analyse and remedy these cases will be significant and the drain on resource heavy. If Government brings in the changes immediately, funds will not be ready to deal with the changes. Administration systems will not be able to calculate the benefits and the costs to the fund will be at an all-time high with the other regulatory projects being concluded.

For opt out and gender gap reporting, if this is to become the responsibility of the Admin Authority, Avon Pension Fund with almost 500 employers it will be yet another significant burden. Further IT development will be needed from both scheme employer and admin authority.

The fund responded to the consultation in July before it closed in early August. We agreed with the proposals in main but urged the Government not to implement all the changes at once. The Governments response to the consultation is expected later in 2025.

10 Data Improvement plan

Appendix 2 is a summary of the Fund's data position and shows a slight improvement in the overall score at 95.6%. The fund is in the process of reviewing its Data Improvement Plan which will be shared with the Board when complete.

11 RISK MANAGEMENT

The Avon Pension Fund Committee is the formal decision-making body for the Fund, including responsibility for adequate risk management. It discharges this responsibility by ensuring the Fund has an appropriate investment strategy and investment management structure in place which is regularly monitored. It also monitors benefits administration, the risk register and compliance with relevant investment, finance and administration regulations.

12 EQUALITIES STATEMENT

A proportionate equalities impact assessment has been carried out using corporate guidelines and no significant issues have been identified.

13 CLIMATE

The Fund is implementing a digital strategy across all its operations and communications with stakeholders to reduce its internal carbon footprint in line with the Council's Climate Strategy. The Fund acknowledges the financial risk to its assets from climate change and addresses this through its strategic asset allocation to Paris Aligned Global Equities, Sustainable Equities and renewable energy opportunities. The strategy is monitored and reviewed by the Committee.

14 OTHER OPTIONS CONSIDERED

None.

15 CONSULTATION

The report and its contents have been discussed with the Head of Pensions representing the Avon Pension Fund and the Director of Financial Services, Assurance & Pensions, representing the administering authority.

Contact person	Claire Newbery Pensions Operations Manager 01225 394701
Background papers	Various statistical documents
Please contact the report author if you need to access this report in an alternative format.	