



<u>Committee and date</u> Pensions Committee	<u>Item</u>
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10am	Public

PENSIONS ADMINISTRATION MONITORING

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Summary

The report provides Members with monitoring information on the performance of the Pensions Administration Team

Recommendations

- A. Members are asked to note the report.

Report

Performance

1. The performance chart showing the team's performance to the end of April 2010 is attached at **Appendix A**.
2. You will notice that procedures completed peaked at over 1,400 in February 2010. This was mainly due to changes to employees records for Shropshire Council. This was the first month that we were able to directly interface from the payroll system, Resource Link, into Axis, the pension's administration system. This has also meant that the resulting workload from this interface is now included in the performance monitoring figures.
3. The types of changes now being interfaced are new employees joining the pension scheme, employees leaving and changes to working hours. In the past these were dealt with by manual input from reports produced from the payroll system. So direct interfacing has streamlined this process.

Communication

4. A newsletter has been issued to all Scheme Employers (**Appendix B**) to update them on a number of issues including employee contribution rates, ill health retirements and the calculation of Final Pay.
5. A meeting will be held later in the autumn for all Scheme Employers to update them on the latest issues. Particular focus will be on the preliminary results of the Pension Fund Valuation.
6. The spring edition of the retired members' newsletter 'InTouch' (**Appendix C**) was issued with payslips and P60's in April. This edition included a wide variety of articles and many positive and pleasing comments have been received by the team.
7. Members of the team have continued to attend Welcome and Induction sessions at the Borough of Telford & Wrekin (BTW). Although we no longer do a presentation at the induction sessions at Shropshire Council, team members are always in attendance to answer questions at the end of the sessions.
8. Pension consultations have been held at West Mercia Supplies and one to one discussions have been held with staff at BTW who may be facing redundancy.
9. The Pensions Manager attended sessions for high earners at BTW to discuss the new taxation and the implications regarding pension contributions. This has been offered to all employers. It is intended that a seminar, run by Mercer, will be arranged later in the year for all scheme members affected by the change in tax rules.
10. Work has commenced on developing a direct mailer that will be sent to all staff eligible to join the scheme but are currently not contributing. This is initially being sent to employees of Shropshire Council but other employers have expressed an interest in taking part in such a mail shot in the near future.
11. At the last Committee Meeting I reported on the Retirement Planning Workshops run in conjunction with Prudential. They were offered to all employers and those interested have already started the sessions. Telford College and BTW have held sessions and others are due to follow shortly at Shropshire Council, Shrewsbury College and the Fire Authority.

12. The topics covered at these sessions include
 - i. General finances and things to consider in preparation for retirement
 - ii. Top tax tips
 - iii. Overview of state pension benefits
 - iv. Understanding the local government pension scheme
 - v. Improving benefits
13. The annual retired members meeting will have been held on 15th June 2010 in the Walker Theatre at Theatre Severn. Approximately 200 retired members were expected to attend this very popular event. This years speakers are Eric Smith from Radio Shropshire and Steve Morgan, President of the Shropshire Photographic Society.

Annual Meeting

14. The Annual Meeting for 2010 will be held on Tuesday 2 November 2010. As previously there will be 3 meetings, one at 10am at the Civic Offices, Telford and two at the Lord Hill Hotel, the first at 2pm and the final one at 5pm.
15. Further details on who will be presenting this year will be given at the next Committee.

Valuation 2010

16. Work has been underway to ensure accurate data is being sent to the actuary for the Valuation of the Pension Fund 2010. The deadline for data to be sent to Mercers is 30 June 2010.
17. The biggest workload is updating all individual records with contributions for 2009/10. This has meant ensuring all year end returns have been received from employers to give enough time for the Administration team to process them. All employers have been very co-operative and data was received in nearly all cases by the deadline.
18. The team dedicated their time to ensuring that all records were updated with contributions, from this a pensionable pay figure is then calculated. Workloads were rearranged accordingly to allow some members of staff to work entirely on this project.
19. As well as individual records being accurate, the Actuary require a substantial amount of information provided by both Treasury Services and the Administration Team. This includes the Pension Fund accounts, cash flow data and a full employer database.
20. The full outcome of the Valuation is expected by the autumn with early indications in the summer.

Pensions Committee Member Training Day

21. A training session for Members of the Pensions Committee was held on 19 April.
22. Presentations were given by Hewitt Associates on Infrastructure, the Scheme Actuary Mercers on the Valuation and Baillie Gifford on Assets, Allocations and Equity.
23. The session proved to be very interesting and worthwhile and was very well received by all who attended.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Pensions Committee, 10 February 2010, Item 8

Human Rights Act Appraisal

The recommendations contained in this report are compatible with the Human Rights Act 1998

Environmental Appraisal

Impossible to quantify

Risk Management Appraisal

Performance is monitored to ensure regulatory timescales are adhered to.

Community / Consultations Appraisal

NA

Cabinet Member

NA

Local Member

NA

Appendices

Appendix A – Performance Monitoring

Appendix B – Employer Newsletter

Appendix C – InTouch Newsletter