



<u>Committee and date</u> Pensions Committee	<u>Item</u>
30 September 2010	<b>11</b>
3pm	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 July 2010 is attached at **Appendix A**.
2. Procedures completed increased over May, June & July as have procedures completed on time. This is very encouraging as procedures outstanding have continued to fall over a number of months.
3. The tasks being terminated are gradually falling in number and are currently at a very low level. This indicates that the correct tasks are being set up and that the Team are operating accurately in the setting up of new tasks.
4. The team will be attending a training day on 15 September 2010. The main theme will be focused on "The Customer".

## Communication

5. A newsletter "Pension Magazine" was issued to all active scheme employees during July 2010 (**Appendix B**). This provided active members with a scheme overview. It was felt important to update scheme members with the benefits of the scheme as a newsletter was not sent out during the preceding year. The magazine was issued via employers who distributed them for us. This enabled the Fund to save on postage costs.
6. Mixed feedback was received following the newsletter being issued. We have statutory requirements to communicate information but received small number of the comments regarding the perceived cost. The newsletter was cost effective at approximately 56p per copy. We were already looking at how we can communicate electronically in the future but this project has been given higher priority in view of the comments received. We are working to identify which employers already use electronic communication with their staff, and of the ones that do how many staff can be reached via this method.
7. The Autumn edition of the retired members' newsletter 'InTouch' (**Appendix C**) will be issued with payslips in September. The format has been changed to keep the magazine fresh and interesting but with the aim of keeping costs low.
8. The Communications Team have been working on the Annual Report and a copy is attached within a separate report on the agenda. The Team have also worked on producing an invite to the Annual Meeting which includes a summary of the Annual Report and Accounts (**Appendix D**). This will be distributed electronically as far as possible with hard copy invites used where electronic communication is not possible.
9. Annual Benefit Statements are being issued to all active and deferred scheme members at the end of September 2010. As last year, we are using an external company to print and post the statements to our scheme members. This has proved a cost effective way of meeting the requirement to send all members an annual statement of their benefits. We are using the same design as last year which has meant the cost has come down from 55p to 46p for producing each statement. Postage costs are in addition to this cost but statements have been designed to a size that minimises postage costs.
10. Pension Consultations have taken place at Borough of Telford & Wrekin during the summer months and have been well attended.
11. The Team has been shortlisted for an award with Professional Pensions for the Annual Benefit Statement. The award ceremony was on the evening of 16 September 2010.

## Annual Meeting

12. The Annual Meeting for 2010 will be held on Tuesday 2 November 2010. As usual 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.
13. A representative from the Fund's Emerging Market Equities Manager, F&C Investments, will be presenting at the Annual Meeting. Scheme members will have the opportunity to learn about how the Fund approaches investment in some of the fastest growing economies in the world.
14. Please let Pensions Services know which meeting you will be able to attend by calling (01743) 252130 or e-mail [pensions@shropshire.gov.uk](mailto:pensions@shropshire.gov.uk).

## Valuation 2010

15. Data was sent to the Actuary on time for the 2010 Valuation.
16. Queries have been received back from the Actuary and dealt with. Compared to the amount of data sent the queries have been minimal. The majority of which have been due to small system errors due to the change in the Regulations. These have been identified and logged with the Software Provider and they have made the Actuaries aware.
17. The Actuary are working to the timetable and we are expecting feedback early Autumn. The Independent Actuary will present the results of the actuarial valuation to the Committee in November.

## Independent Public Service Pensions Commission

18. Members may be aware that an Independent Commission, chaired by Lord Hutton, has been tasked with conducting a fundamental structural review of public service pension provision and has been asked to make recommendations to the Chancellor and Chief Secretary on pension arrangements that are sustainable and affordable in the long term, are fair to both the public service workforce and the taxpayer and are consistent with the fiscal challenges ahead, while protecting existing scheme members' accrued rights. In undertaking the review, it has been outlined that the Commission is to have regard to:
  - the growing disparity between public service and private sector pension provision, in the context of the overall reward package – including the impact on labour market mobility between public and private sectors and pensions as a barrier to greater plurality of provision of public services;

- the needs of public service employers in terms of recruitment and retention;
  - the need to ensure that future provision is fair across the workforce;
  - how risk should be shared between the taxpayer and employee;
  - which organisations should have access to public service schemes;
  - implementation and transitional arrangements for any recommendations; and
  - wider Government policy to encourage adequate saving for retirement and longer working lives.
19. The Independent Commission is expected to report in October. The outcome of the review may have implications for the administration of the local government pension scheme. A report on the outcome of the review will be provided to Members at the November Committee.

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

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**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 – Pensions Magazine

Appendix C – InTouch Newsletter

Appendix D - Annual Meeting Invite

# Task Statistics



