



<u>Committee and date</u> Pensions Committee
22 February 2012
10.00

<u>Item</u>
11
<u>Public</u>

PENSIONS ADMINISTRATION MONITORING REPORT

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1. Summary

- 1.1 The report provides Members with monitoring information on the performance of and issues affecting the Pensions Administration Team.

2. Recommendations

- 2.1 Members are asked to accept the position as set out in the report.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 **Risk Management**
Performance is considered and monitored to ensure regulatory timescales are adhered to.
- 3.2 **Human Rights Act Appraisal**
The recommendations contained in this report are compatible with the Human Rights Act 1998.
- 3.3 **Environmental Appraisal**
There is no direct environmental, equalities or climate change consequence of this report.
- 3.4 **Financial Implications**
There are no direct financial implications arising from this report.

4. Performance

- 4.1 The performance chart showing the team's output and performance levels to the end of January 2012 is attached at **Appendix A**. The last quarter shows a sharp increase in the number of tasks added in one month. This was mainly due to the electronic data input from

Shropshire Council's payroll Resource Link (Interfaces). Due to the fact that all employees at Shropshire Council had a new post number on 1 August 2011, this meant that an "In Year" posting of contributions to individual records was needed. In order to do this the team had to delay running the Interfaces until the postings were completed. Therefore, in January a number of month's interfaces were run at the same time.

- 4.2 The chart also shows a much higher number of procedures outstanding at the end of this quarter. The team currently have a number of vacant posts. This is being addressed by increasing hours for two members of staff and trying to fill the two vacant pension's assistant's posts through the Council's re-deployment procedure. A great deal of time has been taken up with the move to the Guildhall and the Implementation of Shared Services.
- 4.3 The Pensions Administration team will become part of Shropshire Council's new Shared Services function from 1 April 2012. "Shared Services" will be moved to the Guildhall and the Pensions Team were the first to move on 10 February 2012. All contact details will currently remain the same which are:
Telephone: 01743 252130
E-Mail: pensions@shropshire.gov.uk
Web Site: www.shropshirecountypensionfund.co.uk
- 4.4 The Employment & pension Services Manager will not be transferring to Shared Services, but remain client side to support the Scheme Administrator and the Pension Fund.
- 4.5 The results of the CIPFA Benchmarking Club for 2010/2011 were reported at the last Committee meeting. Agreement has been made to continue to Benchmark with CIPFA as the team moves into Shared Services to ensure costs are kept below the national average.
- 4.6 Preparation work for 2012 Year End procedures are underway. This includes reconciliation of contributions sent by all scheme employers for the financial year 2011/12 as well as employee contributions being recorded on their individual records.
- 4.7 In 2013 the next Valuation of the Pension Fund is due. Work across the next year, leading up to the submission to the Actuary, is currently being timetabled and communicated to scheme employers.

5. Communications

- 5.1 The Communications team has continued to support both the scheme membership and its employers.
- 5.2 An on site visit has been made to a new Academy, The Corbet School, to review their policies with regard to the Pension Scheme Regulations.

- 5.3 Meetings have been held with the Council's in house designers and with external designers to consider concepts for the 2011/12 Annual Report.
- 5.4 In December the Fund held an Employer meeting which was supported by the Scheme Actuary, Mercer. The following subjects were covered:
- The Administration Strategy (due to be issued by March 2012)
 - Auto Enrolment
 - Pension Taxation Changes
 - Recap on the 2010 Actuarial Valuation
 - 2011 Funding Update
 - Public Sector Pension Reform
- 5.5 A meeting of the Joint Communication Group was held on 27 January 2012. Cheshire, Warwickshire, Worcestershire and Oxfordshire sent representatives. The best way forward for communicating the latest decisions with regard to the proposed new pension scheme was discussed. Information has been added to the Fund's website and a newsletter is to be issued.
- 5.6 In the last quarter scheme members have been communicating with in the following ways:
- 262,308 hits to the Pension Fund Website
 - Most popular pages to be viewed on the website were the "Homepage", "Latest News and Updates" and "Contact Us".
 - The average amount of post received to the team was 151 pieces per day (625 pieces being the largest delivered)
 - The average amount of PIN requests in order to access online services on the website, were 4 per day. This service allows a scheme member the opportunity to do their own benefit quotes and amend some personal information.

6. Annual Meeting 2011

- 6.1 6th November 2012 has been set for the Annual Meeting. It is proposed to follow on from the success of 2011 and use the Walker Theatre, Theatre Severn, for the Shrewsbury meetings. Telford meeting will be at the civic Offices. Further information will be given at the next Committee meeting.

7. Pensions Systems (AXIS) Update

- 7.1 Work has been undertaken to review the Pension System in use. The current system AXISE has been in place for some time and the software provider Heywood has now developed it's replacement Altair. Axise will not in the near future be developed in the same way as Altair. A decision will be made on the system strategy needed at Shropshire to ensure the Fund is future proofed.

- 7.2 Altair is Heywood's next generation pension's administration solution for the Public Sector pensions market. It is designed to ensure increased efficiency for administrators and improved service for the scheme members.
- 7.3 The migration toolset provided with Altair ensures that the significant investment made by existing AXISE clients will not be wasted. All data, parameters, documents and Images held in Axise will automatically be transferred to Altair as part of the migration process.
- 7.4 Altair navigation is quicker and easier as everything required for an administrator to do their job will be available from one screen. Using intuitive browser based systems means access to Altair is available from anywhere there is internet access and Internet Explorer is supported.

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

Pensions Committee Meeting 15 September 2011, Item 14, Pensions Administration Report

Cabinet Member (Portfolio Holder)

NA

Local Member

NA

Appendices

Appendix A – Performance Monitoring