

Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: 16 January 2025

**Committee:
Pensions Board**

Date: Friday, 24 January 2025

Time: 10.00 am

**Venue: Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate, Shrewsbury,
Shropshire, SY2 6ND**

You are requested to attend the above meeting. The Agenda is attached

There will be some access to the meeting room for members of the press and public, but this will be limited. If you wish to attend the meeting please email democracy@shropshire.gov.uk to check that a seat will be available for you.

Please click [here](#) to view the livestream of the meeting on the date and time stated on the agenda

The recording of the event will also be made available shortly after the meeting on the Shropshire Council Youtube Channel [Here](#)

Tim Collard
Assistant Director - Legal and Governance

Members of Pensions Board

Member Representatives

John Hall

Rebecca Summerlin

Dave Wright (Chairman)

Employer Representatives

Liz Furey

Madeline Murphy

Tricia Slater

Your Committee Officer is:

Michelle Dulson Committee Officer

Tel: 01743 257719 Email: michelle.dulson@shropshire.gov.uk

AGENDA

1 Apologies

To receive apologies for absence.

2 Declarations of Conflicts of Interest

Members are reminded that they should declare any interests which may lead to conflicts of interest in the subject area or any specific agenda item of this meeting. A conflict of interest is defined as a financial or other interest which is likely to prejudice a person's exercise of functions as a member of the Pension Board. It does not include a financial or other interest arising merely by virtue of that person being a member of the LGPS.

3 Minutes of the previous meeting (Pages 1 - 6)

The Minutes of the meeting held on 8 November 2024 are attached for confirmation.

Contact: Michelle Dulson (01743) 257719

4 Public Question Time

To receive any questions from the public, notice of which has been given in accordance with Procedure Rule 14. The deadline for this meeting is 12noon on Monday 20 January 2025.

5 Administration and Regulatory Updates (Pages 7 - 24)

Report attached.

Contact: Vicky Jenks 01743 252192

6 Pensions Committee Reports and Feedback

For Board Members to raise any questions following the recent Pensions Committee meeting.

Please click on the link below to access the reports considered by the Pensions Committee at its meeting on 6 December 2024.

[Agenda for Pensions Committee on Friday, 6th December, 2024, 10.00 am — Shropshire Council](#)

7 Date of Next Meeting

The next meeting of the Pensions Board will be held at 10.00am on Friday 23 May 2025.

8 Exclusion of Press and Public

To RESOLVE that in accordance with the provision of Schedule 12A of the Local Government Act 1972, Section 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations and Paragraphs 3 of the Council's Access to Information Rules, the public and press be excluded during consideration of the following items.

9 Exempt Minutes (Exempted by Category 3) (Pages 25 - 28)

The Exempt Minutes of the meeting held on the 8 November 2024 are attached for confirmation.

Contact Michelle Dulson (01743) 257719

10 Economic Update (Exempted by Category 3) (Pages 29 - 52)

Report attached.

Contact: Peter Chadderton 07990 086399

11 Pensions Committee Exempt Reports and Feedback (Exempted by Category 3)

For Board Members to raise any questions following the recent Pensions Committee meeting.

Please click on the link below to access the reports considered by the Pensions Committee at its meeting on 6 December 2024.

[Agenda for Pensions Committee on Friday, 6th December, 2024, 10.00 am — Shropshire Council](#)

12 Governance Update (Exempted by Category 3) (Pages 53 - 78)

Report attached.

Contact: Alison Grange (01743) 253823

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Committee and Date

Pensions Board

25 January 2025

PENSIONS BOARD

Minutes of the meeting held on 8 November 2024

In the Wilfred Owen Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND

10.00 - 11.15 am

Responsible Officer: Michelle Dulson

Email: michelle.dulson@shropshire.gov.uk Tel: 01743 257719

Present

Member representatives: John Hall, Rebecca Summerlin, Dave Wright (Chair)

Employer representatives: Liz Furey, Madeline Murphy (remote), Tricia Slater

13 Apologies and Introductions

None received.

14 Declarations of Conflicts of Interest

None were declared.

15 Minutes of the Previous Meeting

Minutes of the meeting held on 19 July 2024 were confirmed as a correct record.

Matters Arising

Paragraph 5. Administration and Regulatory Updates

In response to a query the Pensions Administration Manager confirmed that there would be an update on work around the Pensions Dashboard later on in the meeting which included an update on data quality.

In response to a query around the merging of personal records, the Pensions Administration Manager confirmed that they did ensure that records were matched and merged, where necessary.

16 Public Question Time

No public questions were received.

17 Administration and Regulatory Updates

The Board considered the report of the Pensions Administration Manager which provided Board Members with the latest administration and regulatory updates affecting the Local Government Pension Scheme (LGPS).

The Pensions Administration Manager introduced and amplified her report which updated Members on the work undertaken by the pensions administration team including Key Performance Indicators (KPIs) and progress on projects including McCloud, Pension Dashboards and my Pension Online. It also provided an update from the Scheme Advisory Board.

The Pensions Administration Manager drew attention to Appendix A which set out how the team were performing in relation to the 16 KPIs for the period 1 April 2024 to 30 September 2024 with 95% being the target. Appendix A also set out a comparison between quarters, as requested by the Pensions Committee. She reported that the customer target was ambitious compared to the legal target and were set within their Administration Strategy which was due to be reviewed within the next 6 months when they would look to align the customer target more closely to the legal targets. She reported that many of the workflows were achieving close to or above 95% of the legal target and where they were not, they were looking to recruit two new Pensions Assistants to work on achieving those targets.

The Pensions Administration Manager informed the meeting that the Cyber Security Policy had been signed off by the Pensions Committee in June. It had been tested in September via the Council's Risk Assessment team alongside their Business Continuity Plan and their Business Impact Analysis and Service Recovery Plan. The plans had been tweaked slightly but they were happy that there were robust processes in place.

She updated Members in relation to the 'My Pensions Online' portal which had been upgraded in October. A soft launch had been undertaken with pensioners via a newsletter in order to gauge the types of questions they might get asked. This allowed them to tweak the information available on the website including instructions for registering. The next communication would be to those members who were already registered to let them know that they would have to transfer their account to the new facility. She went on to explain why a phased approach had been taken.

Turning to McCloud, the Pensions Administration Manager reported that this work was ongoing, and they were currently looking to create the work plan for the rectification cases (those members who left the Pension Fund during the remedy period and needed an underpin applying to their benefits). She explained that there were some cases where work could not be undertaken due to outstanding software developments to be delivered in the next 12 to 18 months along with outstanding guidance.

In relation to the Pension Dashboard, the Board were informed that they had signed up for their ISP connection to allow their software to connect to the system and would be implemented in January 2025 ready to go live by October 2025. The team were currently undertaking a data matching/partial matching exercise to hopefully reduce the number of enquiries received by the team. The biggest problem area was around members addresses and they were looking to procure a tracing service to keep addresses updated.

In response to a query in relation to recruitment, the Pensions Administration Manager confirmed that the posts currently being recruited to were for an additional two Pensions Assistants. In addition, additional hours have been added to the communications teams. There was also another vacant post that they wished to recruit to, and this would be for a 'floating' Pensions Assistant to work across all three teams.

It was commented that it was difficult to see on the table in Appendix A how the volume of work was changing over quarters. In response, the Pensions Administration Manager explained that the Pensions Committee had asked for more information about the ongoing work in each quarter, which was why they had created the line chart. She reported that the KPI table would also be changing going forward to show the quarterly figures.

In terms of prioritisation of workloads, the Pensions Administration Manager discussed how the work was split out by the operations team, which was currently done on a multifunctional, alpha split prioritising retirements to ensure benefits were paid out which did mean that transfers slipped however going forward they needed to think about how to better prioritise the work including auto allocation according to availability.

Looking at the Pensions Dashboard, it was requested that the 'go live' dates be included on the project updates. The meeting was informed that the time scales were set in legislation and that the go-live date for all pension schemes to be connected and members being able to log on to a dashboard and see their pension information was October 2026. In response to a further query, the Pensions Administration Manager explained that the timescales for pensions schemes was phased at intervals between October 2025 and October 2026. During this time, they would do some testing to ensure that members could get on etc. The Government would give them a six-month lead in time at which time communications would be rolled out to Members.

In response to a query, the Pensions Administration Manager confirmed that in relation to the 'initial letters acknowledging deaths' KPI, there could be some complications with certain cases, sometime just a delay in calculating the value of the benefits due to some anomaly on their record or it could just be a case of a pensioner who had been in payment for a long time as some information was still held on microfiche so it could be difficult to find the information. There was a project in place to get the microfiche records digitised which would make the process quicker.

RESOLVED: To note the contents of the report.

18 Update from Pension Board Chairs Meeting

An update from the Pension Board Chairs meeting on 21 October 2024 had been circulated. The Chairman drew attention to the Scheme Advisory Board report that was imbedded within the Minutes and which he felt was very interesting.

The Head of Pensions drew attention to the ongoing pensions review and although not much had been announced in the 30 October budget but there could potentially be some announcements in the Mansion House speech by the Chancellor on Thursday 14th November as the report on phase one of the review was expected by the end of the year. He reported that there had been some talk about more investment in the UK to drive economic growth and the progression of pension funds pooling assets. He hoped to update Board members at the next meeting in January 2025.

It was reported that there was a new chairman of the Pension Board Chairs meeting along with a new LGPS Central team and it was felt that they would bring a different, much more client focussed approach. The next meeting was on the 24 March 2025.

19 Pensions Committee Reports and Feedback

It was confirmed that the reports considered by the Pensions Committee at its meeting on 13th September 2024 had been received by the Board and also that the meeting had been observed by two members of the Board.

In response to a query, it was confirmed that the two Telford & Wrekin Council representatives had been appointed to the Pensions Committee at its last meeting of Cabinet.

20 Date of Next Meeting

The date of the next meeting was confirmed as Friday 25 January 2025 at 10am.

21 Exclusion of Press and Public

RESOLVED:

That in accordance with the provision of Schedule 12A of the Local Government Act 1972, Section 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations and Paragraphs 3 of the Council's Access to Information Rules, the public and press be excluded during consideration of the following items.

22 Exempt Minutes (Exempted by Category 3)

The exempt minutes of the meeting held on 19 July 2024 were confirmed as a correct record.

23 Economic Update (Exempted by Category 3)

The Board considered and noted the exempt report of the Pensions Investment and Responsible Investment Manager which provided an update on the general economic conditions and of the impact on the pension fund investments since July 2024.

24 Pensions Committee Exempt Reports and Papers (Exempted by Category 3)

The exempt reports considered by the Pensions Committee at its meeting on 13 September 2024 were received and discussed by the Board

25 Governance Update (Exempted by Category 3)

The Board considered and noted the exempt report of the Communications and Governance Team Leader which provided an update on governance issues.

Signed (Chairman)

Date:

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Pensions Board
Date 24 January 2025

Item

Public

Pensions Administration and Regulatory Update Report

Responsible Officer:	Vicky Jenks		
email:	Vicky.jenks@shropshire.gov.uk	Tel:	01743 252192
Cabinet Member (Portfolio Holder):			

1. Synopsis

- 1.1 The report provides members with monitoring information on the performance of and issues affecting the pensions administration team.

2. Executive Summary

- 2.1. Details are provided on team workloads and performance and projects currently being undertaken.
- 2.2. Information regarding Regulatory changes effecting the Local Government Pension Scheme are also included.

3. Recommendations

- 3.1. Members are asked to note the content of this report with or without comment.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. Risk Management
Performance is considered and monitored to ensure regulatory timescales and key performance indicators are adhered to. Administration risks are identified and managed and are reported to committee on an annual basis.
- 4.2. Human Rights Act Appraisal

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

4.3. Environmental Appraisal

There is no direct environmental, equalities or climate change consequences of this report.

5. Financial Implications

5.1. Managing team performance and collaborating with other administering authorities ensures costs to scheme employers for scheme administration are reduced.

5.2. We have now procured a provider for the following services: (this is to replace one provider for which our contract has ended and to purchase a new service)

- Address tracing UK and Overseas
- Mortality screening UK
- Bank Account Verification (new service)

5.3. These services are vital for ensuring we can pay pensions to members when they are due, to avoid any overpayments of pensions and when making payment the account is verified to protect the fund and the person receiving the payment from Fraud. The screening for up-to-date addresses will also assist the fund when Pension Dashboards go live. Pension Scheme members who have lost touch with their pension, will be able to locate their pension records held with the fund and 'self-serve' using 'my pensions online' to find out more.

5.4. We have now recruited 3 additional Pensions Assistants, who will start work shortly. Additional budget has been approved for salary costs, however there will also be costs arising for training.

5.5. Two new pension qualifications have been made available to pension scheme administrators. As part of the requirement to progress within the team, we will be looking for individuals to take up these qualifications. Due to the number of new staff, we have in the team, this will mean an increase in our training budget requirements.

6. Climate Change Appraisal

6.1. Energy and fuel consumption: No effect
Renewable energy generation: No effect
Carbon offsetting or mitigation: No effect
Climate Change adaptation: No effect

7. Administration and regulatory update

7.1. Appendix A shows the 16 key performance indicators (KPIs) for cases processed by the Membership and Benefits team (previously known as the Operations Team) up to 30 December 2024.

7.2. The chart shows that 10 of the 16 KPIs are achieving at least 95% of cases being completed by the legal timeframes. To address those that are not being achieved we are undertaking the following actions:

- We have now recruited 2 new Pensions Assistants to join the Membership and Benefits team and a 3rd who will be able to work across all 3 work streams, covering absence and supporting project work.
- We are also developing more automated processes for aspects of work the team complete, where a member of staff has previously had to set up cases manually, this will save time and allow for more work to be done on planning allocation of resources.
- We are also looking to publish more information to pension scheme member's accounts for them to access online, therefore reducing the amount of paper communications we send out and increasing the use of 'my pension online by members.' This will reduce unnecessary delays in the receipt of information both to and from the member, as documents can also be uploaded onto the portal by the member for the team to process.
- A working group has been established to look at the tools we are not yet utilising, the group will prioritise developments and ensure that those will be using the new tools and processes can feed into the development, so they are fit for purpose.
- The management team are also establishing a comprehensive training plan which feeds into the career path for each role. This will include an expectation to study the new qualifications that have been created by the Local Government Association:

Level 2 (GCSE) Award in Pension Essentials

Level 3 (A Level) Certificate in Pension Administration

- Information about the courses has been shared with the team and we have had a lot of interest, we will now look to assess who can be put forward and enrol them on the next available intake.
- The team held a training day on 19th December, training was held on neurodiversity and a presentation from each team leader which covered the responsibilities for each team. Feedback was requested from team members on a number of questions. These are currently being reviewed by the management team to assess how best we can deliver further training for the team and update processes suggested from the feedback.

7.3. An update for the work completed on the fund's business plan is available at **Appendix B**. Most items listed are on track or completed. There are 2 items on hold:

- Good governance review – earlier this year SAB's working group and DLUHC had made considerable progress on the draft regulations and consultation document to implement the Good Governance recommendations. However, the General Election has delayed the implementation of this. We note that the recent consultation released as part of the Pensions Review has incorporated most of the proposals. This work will be picked up once a response to the consultation is available and confirmation of the timescales for compliance are available.
- Biodiversity Risk – this is currently on hold as we await further guidance from Government on how this should be measured and reported.

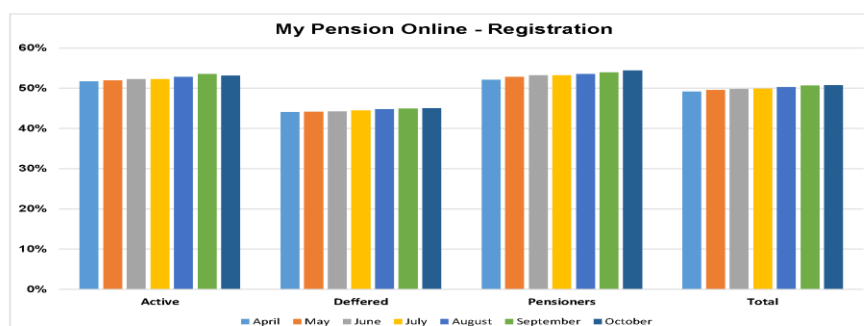
8. Communications and Governance

8.1. The following chart shows statistics on the work undertaken by the helpdesk team not covered by the workflow system and reported with the wider team statistics in **Appendix A**.

	October 2024	November 2024	December 2024
Telephone calls received to helpdesk team	654	720	413
% of calls answered	90%	96%	97%
Emails received to pensions@shropshire.gov.uk	885	832	691
% of emails responded to within 10 working days	100%	100%	100%
My Pension Online activation keys issued	81	75	42
Incoming post received and indexed to the pensions administration system	3,767	2,377	1,902
1-2-1 video appointments held with scheme members	13	17	9
Users visiting the website	*3,326	4,202	3,952

**The number of 12,030 reported to committee in December was the page views rather than the number of members visiting the site.*

- 8.2. Calls to the helpdesk remained high in October and November and dropped off in December as the office was closed over the Christmas period.
Traffic on the fund's website increased in October and November which coincided with the update to the member portal.
We are looking to publish documents to members' 'My Pension online' accounts to save time and work created by receiving information back from members via post. Members will be able to upload documents securely to the platform via their accounts.
- 8.3. **Online portal** - The fund monitors member take-up of its online portal, which was recently updated from MSS to Engage, this is known by members as 'My Pension Online.' In October a soft launch was undertaken with our pensioner members to inform them of the updated version of the platform. This helped to see what types of queries we would receive before we updated our active and deferred membership about the change. Following feedback received we have tweaked the instructions we have communicated to members for this to make it easier to access the service, hopefully reducing the number of queries that the team must manage.
- 8.4. The Chart below shows the % of members who are registered for MSS, it's encouraging that we have approximately 51% of our total membership registered and this is increasing steadily, month on month.



- 8.5. This year we will look to run a promotion campaign to target members who are not yet registered. This will help with our progression to publishing more information to member online accounts and reducing the need to post out information that can be both time consuming and expensive.
- 8.6. **Penny (Pension Bot)** - More of our members are starting to use the Pension Bot, Penny, which is available via our website. The knowledge base (questions) is constantly being updated/added to, based on feedback from previous months' questions and helpdesk queries.

Questions asked	April	May	June	July	Aug	Sep	Oct	Nov	Dec
0% score	95	1	2	2	3	3	13	10	4
0.2%-100% score	30	35	51	42	52	54	102	134	63
Total asked	125	36	53	44	55	57	115	144	67
Accuracy %	75	85	81	82	88	80	77	81	83

9. Employer Performance

- 9.1. In line with the Shropshire County Pension Fund administration strategy, employers must pay their contributions and lump sum deficit payment by the 19th of the month. Accompanying data must also be submitted via i-Connect by this date. The below table shows the percentage of employers who have made payments by the deadline for November and December.
- 9.2. This table also includes information about employers who make monthly deficit lump sum payments. Information about employers who did not meet these deadlines is covered in the governance report via the reported breaches chart.

	November 2024	December 2024
i-Connect data received on time	95%	99%
Monthly contributions received on time	99%	99%
Monthly deficit lump sum payments received on time	96%	98%

10. CIPFA benchmark

- 10.1. The results from the CIPFA benchmarking exercise for 2023-24 have now been received. The results show the average costs for running the administration, management, and governance of the Pension Fund.
- 10.2. The information below shows the results for Shropshire compared to the average cost per pension fund:

Pension Fund	Admin Cost per Member	Net Admin Cost per FTE	LGPS Members per FTE	% of Pensioner Members	% of Active Members	Pensioner Payroll Cost per Pensioner
Shropshire	£30.45	£68,980	1,768	27.2%	30.7%	£6.02
Average	£36.69	£199,848	3,190	28.7%	30.8%	£8.10

11. Pensions Dashboards

- 11.1. The latest monthly report for work completed on Pensions Dashboards is available at **Appendix C**. The report shows progress to date, planned work for the next month and high-level milestones. The project is currently on track for our connection date of 31st October 2025. (go live date for all pension schemes is scheduled for October 2026)
- 11.2. We have now secured a provider for data services which will support us with member address tracing, mortality screening, and bank account verification for payments made to individuals. These tools will help reduce the risk of fraud and ensure the data held on member records is as up to date as it can be.
- 11.3. We will look to implement the tools and new processes in the next few months.

12. Regulatory updates

- 12.1. The Autumn budget brought fewer changes than had been expected after lots of speculation beforehand. One change however is the inclusion of inherited pensions in the amounts used for inheritance tax. The government have launched a technical consultation on how and whether to implement this from April 2027. We have reviewed the consultation and have submitted a response to help shape the process that administrators will be required to implement to deliver the requirements of this change.
- 12.2. On 12th November 2024, Bridget Phillipson, Secretary of State for Education made a statement which confirmed that the Department for Education (DfE) has put in assurance to the LGPS for Further Education (FE) bodies. The assurance is a DfE guarantee covering the following FE providers:
 - FE corporations
 - sixth form college corporations
 - Designated Institutions, who are bodies, set up under the Further and Higher Education Act 1992 and are legally obliged to offer their non-teaching employees' membership of the LGPS.

For clarity, the Board Secretariat has sought confirmation from the DfE that this guarantee does not cover Higher Education institutions and covers only the organisations that were reclassified as public sector by the Office for National Statistics in November 2022

This strengthens the covenant in the fund for these employers and the fund are currently reviewing the implication of these changes with employers that are affected by this change.

- 12.3. The mansion house speech on 14 November announced the introduction of 'Mega funds' for investment. An update on this is provided in the report presented to Pension Committee on the 6 December.
- 12.4. **Funding Strategy Statement** - Draft replacement guidance was approved at the joint Chartered Institute of Public Finance and Accountancy (CIPFA) and SAB Compliance and Reporting Committee (CRC) meeting on Monday 21 October 2024. The next steps are for the document to be approved by CIPFA's Public Financial Management Board on 7 November 2024 and for the Board to give its final approval at its meeting on 25 November 2024. It is hoped the Minister will adopt it as statutory guidance, which we expect to be confirmed shortly.
- 12.5. **Updated fiduciary duty opinion** - SAB has recently sought an update to Counsel's opinion on fiduciary duty which was obtained in 2014. The Board requested the update due to the evolving understanding of the fiduciary and public law duties that apply to LGPS administering authorities when deciding and implementing their responsible investment policies. There have been recent controversies in terms of how they should respond to climate change, government targets for particular types of investment and the ongoing humanitarian issues in the Middle East. An initial draft of the updated opinion has been received and is being reviewed. The final version, along with a short summary, will be published shortly on the legal opinions and summaries page of the SAB website.
- 12.6. **Letter recommending separation of accounts** - Jo Donnelly, SAB Secretary, sent a letter dated 12 November 2024 to the Local Government Minister, Jim McMahon MP. The letter reconfirms SAB's previous recommendation to separate pension fund accounts from the administering authority's main accounts.
- 12.7. Following the publication of the Government's English Devolution White Paper on 16 December 2024, MHCLG launched an open consultation setting out proposals for overhauling the local audit system in England. The consultation is called Local audit reform: a strategy for overhauling the local audit system in England. It closes for responses on 29 January 2025. The consultation sets out a strategy to improve the local audit system and asks respondents to comment on proposals within the strategy. Specifically mentioned at paragraph 77 in the consultation document is a proposal to decouple pension fund accounts from the main accounts of the administering authority. The Board has recommended this change for some time.
- 12.8. We have been informed that Jo Donnelly, will be leaving the LGA as she has been successful in gaining the position as CEO at the London Pension Fund Authority. We wish Jo well in her new role and look forward to working with her replacement, which is yet to be decided.

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

Pensions Committee Papers 6 December 2024 – Administration update

Cabinet Member (portfolio Holder)

N/A

Local Member:

N/A

Appendices

Appendix A – KPI Chart

Appendix B – Business Plan update (Quarter 2)

Appendix C – Pensions Dashboard update report (November)

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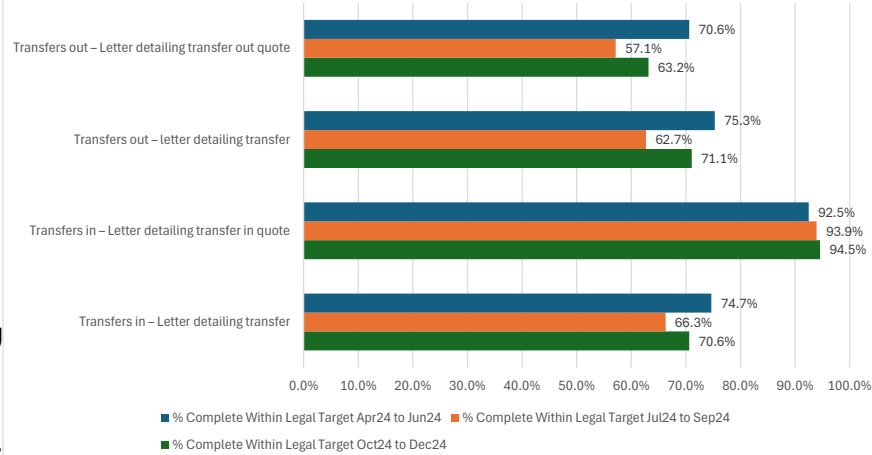
APPENDIX A

Appendix A KPI table for the period April 2024 to December 2024

Category	Q1 Complete at End of Period Apr 24 to Jun24	Q2 Complete at End of Period Jul24 to Sep24	Q3 Complete at End of Period Oct24 to Dec24	Q4 Complete at End of Period Jan25 to Mar25	Customer Target	% Complete Within Customer Target Apr24 to Jun24	% Complete Within Customer Target Jul24 to Sep24	% Complete Within Customer Target Oct24 to Dec24	% Complete Within Customer Target Jan25 to Mar25	% Complete Within KPI Target Apr24 to Jun24	% Complete Within KPI Target Jul24 to Sep24	% Complete Within KPI Target Oct24 to Dec24	% Complete Within KPI Target Jan25 to Mar25	Legal target	Q1 Complete Within Legal Target Apr24 to Jun24	Q2 Complete Within Legal Target Jul24 to Sep24	Q3 Complete Within Legal Target Oct24 to Dec24	% Complete Within Legal Target Jan25 to Mar25
Aggregation - Send notification of aggregation options	328	251	302		40 days	95.1%	89.6%	89.1%		95.1%	89.6%	72.6%		2 months	97.0%	94.4%	90.1%	
Deaths – Initial letter acknowledgement death	152	112	127		10 days	58.6%	66.1%	62.2%		58.6%	66.1%	55.5%		2 months	99.3%	97.3%	97.6%	
Deaths – Letter notifying amount of dependant's benefit	75	86	93		15 days	82.7%	81.4%	88.2%		82.7%	81.4%	78.5%		2 months	92.0%	90.7%	95.7%	
Deferment – calculate and notify deferred benefits	518	260	222		30 days	56.8%	65.0%	45.0%		56.8%	65.0%	39.3%		2 months	77.2%	82.3%	70.7%	
Deferred into pay – process and pay lump sum retirement grant	225	181	198		15 days	60.9%	61.9%	48.5%		60.9%	61.9%	53.7%		2 months	97.8%	97.8%	96.0%	
Divorce quote – Letter detailing cash equivalent value and other benefits	27	17	23		15 days	63.0%	94.1%	87.0%		63.0%	94.1%	86.6%		2 months	85.2%	100.0%	100.0%	
Refund – Process and pay a refund	112	82	76		10 days	93.8%	91.5%	93.4%		93.8%	91.5%	97.0%		2 months	99.1%	100.0%	98.7%	
Retirements – Letter notifying actual retirement benefits active	109	200	116		15 days	87.2%	92.0%	91.4%		87.2%	92.0%	93.2%		2 months	100.0%	99.5%	100.0%	
Retirements – letter notifying actual retirement benefits deferred	255	266	196		15 days	31.8%	60.2%	62.8%		31.8%	60.2%	61.2%		2 months	93.7%	95.5%	96.9%	
Retirements – Letter notifying estimate of retirement benefits active	84	76	69		15 days	92.9%	97.4%	88.4%		92.9%	97.4%	93.9%		2 months	98.8%	100.0%	100.0%	
Retirements – letter notifying estimate of retirement benefits deferred	43	37	35		15 days	90.7%	97.3%	85.7%		90.7%	97.3%	91.6%		2 months	97.7%	100.0%	100.0%	
Retirements – process and pay lump sum retirement grant active	134	122	158		15 days	95.5%	98.4%	98.7%		95.5%	98.4%	97.2%		2 months	100.0%	100.0%	100.0%	
Transfers in – Letter detailing transfer	75	89	85		15 days	22.7%	40.4%	41.2%		22.7%	40.4%	50.2%		2 months	74.7%	66.3%	70.6%	
Transfers in – Letter detailing transfer in quote	93	132	110		15 days	59.1%	85.6%	85.5%		59.1%	85.6%	79.1%		2 months	92.5%	93.9%	94.5%	
Transfers out – letter detailing transfer	85	67	76		15 days	56.5%	46.3%	53.9%		56.5%	46.3%	62.3%		2 months	75.3%	62.7%	71.1%	
Transfers out – Letter detailing transfer out quote	34	42	38		15 days	29.4%	19.0%	13.2%		29.4%	19.0%	46.6%		2 months	70.6%	57.1%	63.2%	
Grand Total	2349	2020	1924															

Customer Target set by the Fund
Legal Target - Disclosure Regulations

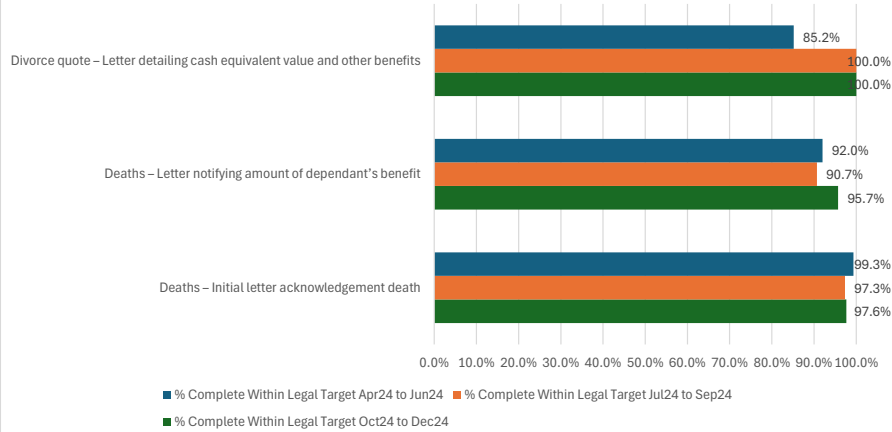
Percentage Complete Within Legal Target
Transfers



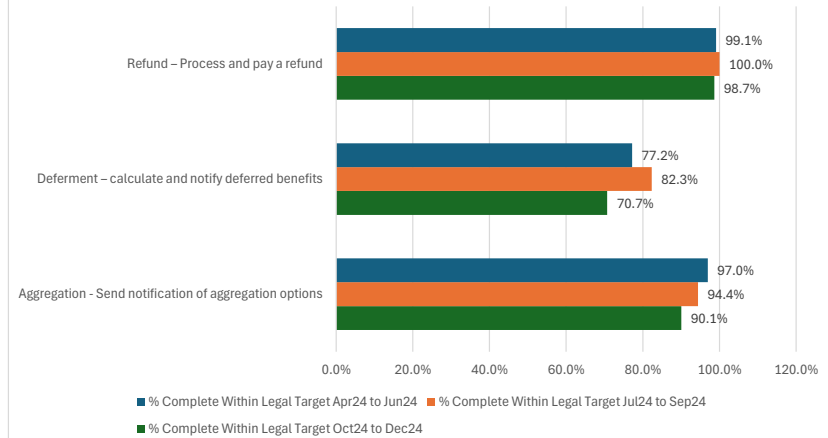
Percentage Complete Within Legal Target
Retirements



Percentage Complete Within Legal Target
Deaths & Divorce



Percentage Complete Within Legal Target
Deferred, Refund and Aggregation



Pensions Administration & Investment Business Plan Update

Project Name	Context	Actions	June Update Q1		September Update Q2	
Administration			Progress	Status	Progress	Status
Year-end 2023/2024	All records to be checked from postings. All employer forms to be reconciled to total of monthly postings	Data cleansing to be undertaken following last i-Connect submission for March 2024. Reconciliation forms and communication to employers to be issued February 2024. Forms reconciled to accounts. Project to completed by 30th June 2024.	Almost complete with a few employers submitting information late.	G - On Track		Complete
Annual Benefit Statements (Active and Deferred)	All Annual Benefit Statements issued by 31 August	Project plan to be put in place by 31st March 2024. Statement preparation to commence following completion of year end processes.	ABS issued to deferred benefits in July and Active members 2nd week of August. 9 statements couldn't be produced for flexible retirements.	Complete		Complete
Preparation of Pension Fund Annual Report	To produce annual report by statutory deadline of 1st December 2024.	Project plan to be put in place by March 2024. Review new guidance when available. This will be compulsory from 2025. Draft version available to be signed off by September 2024 pension committee.		G - On Track	Waiting for Council accounts to be signed off before Grant Thornton information can be submitted (to be published by 30/11/24).	G - On Track
TPR One Code of Practice outcome	To demonstrate compliance with any recommendations/regulation changes put in place	Review guidance when available.	Checklist now in place and being reviewed to be completed by 30th September.	G - On Track	Action plan to be presented to December Committee	G - On Track
SAB Good Governance Review Outcome	To demonstrate compliance with any recommendations/regulation changes put in place	Review guidance when available.	Still awaiting information from MHCLG -delayed due to General Election.	G - On Track	Waiting for further information when this is available	Y - On Hold
McCloud Remedy	To implement the 1st October 2023 McCloud legislation and to ensure any guaranteed amounts are paid to protected members.	Ensure the system is configured to allow all calculations to perform the underpin calculation. All relevant documentation to be amended. Disclosure requirements to be met by 31st December 2023 due to the change in legislation. Rectification cases of past cases during the remedy period to be undertaken.	Went live 8th November 2023. For members in scope an indicator has been added so that the underpin check can be performed when benefits are calculated. Priority documentation updated for go live. Website updated. Pensioners notified by InTouch newsletter October 2023. Active and Deferred members were notified in December 2023. For past cases the underpin indicator and underpin check has been run, the team are working through these to identify any members who may require an adjustment to pension. The Home Office have issued guidance on the priority order for cases that should be worked through. Team to review work required for retrospective cases. Number of cases have been identified and resources will be allocated to this work following the review.	G - On Track	Operations team reviewing retrospective cases in order to plan and complete the work on these. Age 65 pay data being collected. LGA have update their McCloud guides. Some transfer cases are having to be calculated manually as developments in software have not yet caught up.	G - On Track
Employer Spreadsheet	Creation of a central spreadsheet of employers to track starters, leavers, and actuarial data.	Spreadsheet created by Mercer for use by the team.	In use from November 2023. The team are creating a central repository so that employers can be tracked more easily. The spreadsheet from Mercer lists employers, but needs to be reviewed so that details regarding contract end dates, bonds and convenience can be added, processes to be delivered in order to make sure reviews are in place.	G - On Track	Central location on SharePoint created with links to employer spreadsheets used by the team.	Complete

Pensions Administration & Investment Business Plan Update

Project Name	Context	Actions	June Update Q1	September Update Q2
Review of Bonds (Employer guarantor)	For certain types of admitted bodies a Bond is required to provide an assurance that contributions can be collected in the event of an employer having financial difficulties	As part of the valuation process Bond values are reviewed. The administration team need to liaise with employers to ensure bonds are put in place and reviewed before they expire	Information regarding Employers with bonds is being captured on the central Employer list. Contact is being made with those employers where the Bond requires review. Majority of bonds are now in place with a small number still outstanding.	Work is progressing to ensure that outstanding bonds are in place.
Heywood Contract Performance Monitoring	Working with GMPF and Audit to produce a contract performance monitoring document for the hosted service.	Document to be finalised and presented to Heywood's	Document has been created and shared with Heywood, review meetings to be scheduled on a quarterly basis. Liaising with Council Audit team to ensure spreadsheet is fit for purpose.	Document in place and meetings with Heywood Client Manager are to be arranged going forward.
External Audit of Pension Fund	Annual requirement	Providing information required within the agreed timescales.	Meeting held with external Auditor to plan Audit work to be completed in 2024, this will include system audit. Audit work has been completed. Draft outcome report to be presented to September Pensions Committee.	
Production of Pension Savings Statements	Comply with HMRC regulations	Identify the members who have breached the annual allowance. Provide a pension saving statement by the 5th October 2024 deadline.	Work is now underway to produce statements. Flexible retirement statements to be produced manually.	
Pensions Increase 2024	To ensure pensioners and deferred are uprated with annual increase amount	Bulk process to update the system with the confirmed CPI increase on 8th April 2024.	Tested in February/March and Actual increase run in April.	
Pensions Dashboard Implementation	Implement in line with national guidelines by October 2026.	To procure an ISP provider in 2024.	Purchase of ISP complete. Procurement of data tools started. Work on AVC match-up has also started. Separate progress report will be presented to Board and Committee.	Tender process for Data Tools will hopefully go live 01/11/24. Work on the AVC match-up continues. Phase 1 connection has been scheduled for January 2025.
Bulk Revaluation	Annual CARE uprating to be applied to active records	Bulk process to be run after year end postings are complete in May/June 2024	Completed.	
P60 to Pensioners	To produce a P60 for pensioner members by 31st May	Following year end 2023/24 payroll processes run P60 production in end March/April 2024.	Completed.	

Pensions Administration & Investment Business Plan Update

Project Name	Context	Actions	June Update Q1	September Update Q2	
Implementation of Engage to replace my pensions online	The my pensions online portal is being phased out by Heywood and replaced with Engage, the platform should provide clearer information to scheme members regarding their pension and provide tools to help plan for retirement	<p>The administration team will need to work with Heywood and internal IT teams in implement this change.</p> <p>Communications to scheme members to inform them of new look online portal with be required.</p>	<p>Project has now commenced and working with Heywood to implement Engage, project plan in place.</p> <p>Soft launch to pensioners with notification in the next InTouch. Will look to run a promotion during 2025 to those not registered on Engage.</p>	G - On Track	<p>Go live date 16/10/24.</p> <p>Complete</p>
Investment					
UK Stewardship Code	<p>Stewardship is the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.</p> <p>The UK Stewardship Code 2020 comprises a set of 12 'apply and explain' Principles for asset owners. As part of the Fund's desire to demonstrate its good governance and stewardship of its assets, the Fund submitted its first report in October 2022. The Fund was successful in its submission and is now a signatory to the UK Stewardship Code. The Fund has received feedback from the FRC on its submission and the Fund will develop its submission following this feedback.</p> <p>The Fund will submit a report annually to the Financial Reporting Council ("FRC") to maintain its status as signatory to the Code.</p> <p>As part of the work on the Stewardship Code the Fund will review its approach to stewardship and engagement to ensure that it continues to meet the requirements of the Committee.</p>	<p>ESG monitoring is in place as part of business as usual.</p> <p>Resources have been allocated to review positions with Investment Managers at end of 2022 to address any points from the 2022 application.</p> <p>Lead Officer: Pensions Investment and Responsible Investment Manager</p>	<p>An updated draft application will be presented to the Pensions Committee in September 2024 for submission in October 2024.</p> <p>Project progressing as planned</p>	G - On Track	G - On Track
Triannual Valuation Results	Work with Actuary to prepare and consider the Actuarial valuation results. The next valuation date is the 31st March 2025 alongside the Fund's Funding Strategy Statement.	<p>Regular update meetings are held with the Actuary.</p> <p>Communications will be issued to scheme employers in 2024/25 in respect of the valuation process.</p> <p>The Funding Strategy Statement has been updated as part of the 2022 valuation and will be reviewed and issued for consultation following the 2025 valuation.</p> <p>Lead Officer: Head of Pensions – LGPS Senior Officer</p>	<p>All action has been taken in respect of the March 2022 valuation and an indicative timeline of work is in place for the 2025 valuation.</p> <p>Agreed with Mercer to undertake an interim valuation to inform funding levels prior to the employer meetings and considerations to adjustments to fund policies.</p>	G - On Track	<p>Work is being carried out on the interim valuation. Catch-up call held with Mercer to discuss preliminary results.</p> <p>G - On Track</p>

Pensions Administration & Investment Business Plan Update

Project Name	Context	Actions	June Update Q1	September Update Q2	
Covenant Review	Work with Actuary to review Employer covenants on an annual basis to monitor risk to fund.	Meetings have been held with Actuary to discuss employers subject to review and the terms and reference of the reviews. Lead Officer: Pensions Investment and Responsible Investment Manager	The covenant review for 2023/24 has been completed and no issues identified that require action. A separate covenant review will be undertaken for 24/25 as part of the tri-annual valuation work.	G - On Track	No actions that required follow-up. Complete
Climate Change Risk	The Fund issues an annual climate risk report and TCFD report as part of its commitment to net zero. In addition, the Fund supports these reports by undertaking Climate scenario analysis on a bi-annual basis to ensure that developments in this field are fed into ongoing analysis.	Climate Risk reports and TCFD reports have been commissioned with LGPS Central. Alternative Investment managers ESG policies and progress on Climate Risk monitoring are reviewed periodically with a view to establishing full portfolio monitoring. Lead Officer: Pensions Investment and Responsible Investment Manager	The 2023 Climate Risk & TCFD Reports were presented to Pensions Committee in December 2023. The draft climate strategy will be presented to the September 2024 Pensions Committee.	G - On Track	Climate Strategy agreed at September Committee. Climate Risk & TCFD reports are being prepared. G - On Track
Biodiversity Risk	The Government is currently consulting on TNFD (Taskforce for Nature related Financial Disclosures). The Fund is monitoring the position and discussing potential data sources with investment managers and other Funds with a view to be able to report in a similar context to TCFD on climate.	Discuss the format of TNFD reports with LGPS Central to establish what can be accurately reported. Consider integration of Biodiversity risk into climate change strategy as whilst different risks there is an underlying fundamental link. Liaise with Investment Managers with a view to establishing full portfolio monitoring. Lead Officer: Pensions Investment and Responsible Investment Manager	Continue to raise TNFD monitoring with Investment Managers pending full release of guidelines expected in 2024.	G - On Track	No guidance received yet on TNFD due to the current pensions review. Continue to raise with the Investment Managers. Y - On Hold
Investment Strategy Statement	The Fund sets a triannual investment strategy which was last reviewed in June 2023 and the Fund is currently working on transition plans to meet the new strategic asset allocation. The investment strategy review took place concurrently with the review of the Funding Strategy Statement in 2022/23. The outstanding actions now are implementing the agreed changes to the investment strategy. The implementation of the revised investment strategy will occur over a period to manage transition risks.	Reports on the Investment transition to meet the new ISS were presented to Pensions Committee in September 2023. The transition will take approx. 18 to 24 months to fully implement given some of the illiquid asset classes involved. A full timetable is in place and Pensions Committee will be updated on a quarterly basis of major changes. Lead Officer: Head of Pensions – LGPS Senior Officer	The Investment strategy was agreed in June 2023. Transition to Investment Grade Corporate Bonds was completed in October 2023. Quarterly updates provided to Pensions Committee. Due to be reviewed following the March 2025 valuation.	G - On Track	Made a commitment of £90m to private credit and £30m to private equity through LGPS Central. Committed £13m to ABRDN re residential property investment. Committee will be provided with quarterly updates. G - On Track
Pooling	The Fund works directly with LGPS Central to ensure that appropriate products are available to meet future investment requirements and allow transition from legacy managers as investments mature. Following the General Election, the new Pensions Minister has instigated a pensions review with phase 1 including the Local Government Pension Scheme, in particular the pooling of investments. The recommendations to this will be known towards the end of 2024	The Fund Continues to work with LGPS Central to ensure that appropriate investment vehicles are available to allow the transfer of the Funds uncommitted assets. The transition of illiquid assets will continue to be reviewed based on maturity profiles and investment opportunities available. The Fund has responded to the consultation on moving pooling forward. Lead Officer: Head of Pensions – LGPS Senior Officer	The Fund continues to transition assets as opportunities arise. In progress, from a fund perspective, we consider 70% of the fund to have been pooled. The Fund continue to work with LGPS Central with a view to pooling legacy assets.	G - On Track	Currently working with LGP Central on concluding an advisory agreement in respect of the LGIM passive equity investment which will take our pooling figure to above 70%. The Fund continue to work with LGPS Central with a view to pooling legacy assets. G - On Track

Project Highlight Report

Pensions Board



Project Name:	Pensions Dashboard	Report Number:	003
Period	December 2024	Date Completed:	23/12/2024
Completed By:	Jake Glover Senior Pensions Project Officer		

TREND SINCE LAST REPORT	Green
CURRENT STATUS	Green
EXPECTED STATUS AT NEXT REVIEW	Green

Progress so far The following activities have taken place:	Planned work for next month and beyond Activities planned for January are:
<ul style="list-style-type: none"> • An ISP (Integrated Service Provider) has been procured and signed off by Legal. Implementation will commence January 2025 • Vicky, Pensions Admin Manager and Jake, Senior Pensions Project Officer to finalise documentation for the Member Data Tools procurement and instruct Procurement to upload these to Delta, the Council's online tender portal. • Risks, Issues and Decisions reviewed at November project catch-up. • Member Data Tools procurement exercise drawing to a close. Bids have been evaluated and chosen provider has been sent the contract award letter following no challenge from losing bidders. Heywood Pension Technologies are the winning provider. 	<ul style="list-style-type: none"> • ISP implementation phase 1 will commence 14/01/25 with the project kick-off. • Member Data Tools procurement exercise will continue with the contract to be agreed and signed off ahead of implementation commencing.

Slippage and Remedial Action

- N/A

Key Risks and Issues

R/I	Detail	Rating	Open / Closed
R	Data quality is low, leading to poor matching criteria and members having to contact the fund to find their pension (rather than finding it directly through the dashboards)	Low	Open
R	Procurement of new tracing and mortality screening provider (gap in service as current provider current ends in September)	Very Low	Open
R	ISP connection deadline not met	Low	Open
R	Having adequate resource to deal with any additional work created	Medium	Open

High Level Milestones

Action	Date Completed / Target Date	Status	Comments
Procure ISP	19/08/2024	Complete	ISP procured and approved.
Data Tools Procurement	February 2025	On Track	Provider chosen and contract to be signed
Implement ISP Phase 1	January 2025	On Track	Kick-off meeting booked in with Heywood

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