

<u>Committee and Date</u>	<u>Item</u>
Pensions Committee	<b>16</b>
27 July 2018	
10.00 am	
	Public

## UPDATED PENSIONS ADMINISTRATION STRATEGY STATEMENT

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### 1. Summary

- 1.1 This report provides Members with information on a recent review of the Pensions Administration Strategy Statement and asks Members to approve the updated policy. Regulation 59 of the Local Government Pension Scheme Regulations (LGPS) allows Funds to prepare a written statement of policy in relation to administration matters between the Fund and participating employers.

### 2. Recommendations

- 2.1 The Committee is asked to approve, with or without comment, the revised Pension Administration Strategy at **Appendix A**.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

- 3.1 **Risk Management**  
The Pensions Administration Strategy has been reviewed in line with the current regulations and the Charter Institute of Public Finance & Accountancy (CIPFA) key performance measures. All current participating employers have been consulted.
- 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. Background Pension Administration Strategy

4.1 The Local Government Pension Scheme Regulations enables the Pension Fund Administering Authorities to publish a strategy for the sole purpose of documenting the administrative processes with their Fund. Regulation 59 (2) states the matters the policy can cover are:

- (a) procedures for liaison and communication with Scheme employers in relation to which it is the administering authority*
- (b) the establishment of levels of performance which the administering authority and its Scheme employers are expected to achieve in carrying out their Scheme functions by:
  - (i) the setting of performance targets,*
  - (ii) the making of agreements about levels of performance and associated matters, or*
  - (iii) such other means as the administering authority considers appropriate;**
- (c) procedures which aim to secure that the administering authority and its Scheme employers comply with statutory requirements in respect of those functions and with any agreement about levels of performance;*
- (d) procedures for improving the communication by the administering authority and its Scheme employers to each other of information relating to those functions;*
- (e) the circumstances in which the administering authority may consider giving written notice to any of its Scheme employers under regulation 70 (additional costs arising from Scheme employer's level of performance) on account of that employer's unsatisfactory performance in carrying out its Scheme functions when measured against levels of performance established under sub-paragraph (b);*
- (f) the publication by the administering authority of annual reports dealing with-
  - (i) the extent to which that authority and its Scheme employers have achieved the levels of performance established under sub-paragraph (b), and*
  - (i) such other matters arising from its pension administration strategy as it considers appropriate; and*
  - (g) such other matters as appear to the administering authority after consulting its Scheme employers and such other persons as it considers appropriate, to be suitable for inclusion in that strategy.**

5.1 The Shropshire County Pension Fund introduced its Pension Administration Strategy in June 2012 and was version updated and approved by committee in June 2015.

## 5. Recent Review

6.1 The Administration Strategy Statement has been updated to take into account of new practices introduced as a result of now receiving monthly data from all employers via IConnect. It has also been

reviewed alongside the most recent legislation and best practice guidance. The revised Statement is attached at **Appendix A**. A consultation has been undertaken with all Fund employers and following approval these documents will be issued to all employers and published on the Funds website.

<b>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)</b>
<b>Cabinet Member</b> N/A
<b>Local Member</b> N/A
<b>Appendices</b> A – Pension Administration Strategy Statement