

Report To: **PENSION FUND MANAGEMENT PANEL/ADVISORY PANEL**

Date: 19 October 2018

Reporting Officer: Sandra Stewart - Director of Pensions
Emma Mayall - Pensions Policy Manager

Subject : **PENSIONS ADMINISTRATION UPDATE**

Report Summary: This report covers the following key items of work affecting, or being carried out by, the administration section over the last quarter:

- 'My Pension' service
- Monthly pay and contribution returns evaluation work
- Annual benefit statements for contributors
- Pension Saving Statements
- GMP Reconciliation

Recommendation(s): It is recommended that the Panel note the report.

**Financial Implications:
(Authorised by the Section 151 Officer)** One of the key objectives of the administration section is to provide value for money, delivering a service that is both meeting its member's needs and its legal obligations whilst doing so in an efficient and cost-effective way.


**Legal Implications:
(Authorised by the Solicitor to the Fund)** Whilst striving to deliver a value for money service, GMPF must ensure compliance with the LGPS regulations and other relevant statutory guidance. It must also have regard to The Pension Regulator's Code of Practice and guidance.

Risk Management: There are no key risks to highlight.

ACCESS TO INFORMATION: **NON-CONFIDENTIAL**

This report does not contain information that warrants its consideration in the absence of the Press or members of the public.

Background Papers: Further information can be obtained by contacting Emma Mayall, Greater Manchester Pension Fund, Guardsman Tony Downes House, 5 Manchester Road, Droylsden

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1. BACKGROUND AND INTRODUCTION

1.1 This report provides a brief update on some of the items affecting the work of the Pensions Administration section over the last quarter and some of the key projects being undertaken, being:

- 'My Pension' service
- Monthly pay and contribution returns - evaluation work
- Annual benefit statements for contributors
- Pension Saving Statements
- GMP Reconciliation

2. 'MY PENSION' UPGRADE

2.1 'My Pension' is a customer-facing module of the Altair pension administration software. It allows members of the Fund to view details that are held about them in relation to their pension. It is also designed to allow them to make real-time changes, such as updating their address or death grant nomination details, and has a suite of benefit projectors that can be used by members to assist them in assessing their pension provision.

2.2 GMPF upgraded to a new version of the module on 3 July 2018 that continued to be available for pensioners, but that was also now available for contributing and deferred members.

2.3 All contributing members received details of how to register for the service with their annual benefits statements and a program of communications is currently being put together to notify deferred members and those pensioners who have not registered.

2.4 Work will continue on improving online access for members and a number of initiatives are planned to increase registration numbers over the next eighteen months. Some statistics on the initial numbers of members registered so far and the functionality being used can be found at **Appendix 1**.

3. MONTHLY PAY AND CONTRIBUTION RETURNS - EVALUATION WORK

3.1 During the quarter, work has continued on evaluating the steps that need to be taken in order to transition from receiving annual pay and contribution returns from scheme employers to monthly ones. Further testing of the software required to facilitate this change has also been undertaken.

3.2 A project team has been established and the work areas required to plan and carry out a successful transition program have been identified. The aim is to complete the transition process for all employers by March 2020.

3.3 Information has been provided to employers to inform them of the intention to do this, and more information will be provided at the AGM and at an employer information session being held on 30 October 2018.

3.4 A copy of the latest Milestone project plan can be found at **Appendix 2**.

4. ANNUAL BENEFIT STATEMENTS TO CONTRIBUTORS

- 4.1 Over 103,000 Annual Benefit Statements were sent to contributing members in July and August in advance of the 31 August 2018 statutory deadline. This equated to approximately 98% of members.
- 4.2 A number of statements were not able to be produced due to known issues with pay or outstanding queries. On 10 August 2018, GMPF notified the Pensions Regulator of its failure to issue statements to 1,354 members of the National Probation Service where the employer was unable to provide corrected pay figures in time. GMPF and the Ministry of Justice are continuing to liaise with the Pensions Regulator to resolve this issue.

5. PENSION SAVING STATEMENTS

- 5.1 495 Pension Saving Statements were issued to members who exceeded the annual allowance tax limit before the statutory deadline of 6 October 2018.
- 5.2 Information seminars will be held in November for scheme members who are or might be affected by the annual allowance. One to one guidance session will also be made available and members will be signposted to organisations that can provide them with financial advice.

6. GUARANTEED MINIMUM PENSION (GMP) RECONCILIATION

- 6.1 Work on completing the GMP Reconciliation project continues and is still on target to be completed by the end of the year.
- 6.2 Graphs and commentary on the numbers of matches, mismatches, queries and estimates of potential cost savings can be found at **Appendix 3**.

7. RECOMMENDATION

- 7.1 It is recommended that the Panel note the report.