

# GREATER MANCHESTER PENSION FUND - ADMINISTRATION, EMPLOYER FUNDING AND VIABILITY WORKING GROUP

8 April 2022

**Commenced:** 11:00

**Terminated:** 12:34

**Present:** Councillors M Smith (Chair), Grimshaw, Jabbar, Joinson, Hartigan, Patrick, Sharif, Ricci, and Mitchell,

Mr Llewellyn, Mr Drury and Ms Blackburn

**In Attendance:**

Sandra Stewart	Director of Pensions
Euan Miller	Assistant Director of Pensions (Funding and Business Development)
Paddy Dowdall	Assistant Director of Pensions (Local Investments and Property)
Emma Mayall	Assistant Director of Pensions (Pensions Administration)
Victoria Plackett	Head of Pensions Administration
Georgia Ryan	Developments & Technologies Strategic Lead
Mark Flannagan	Customer Services Section Manager
Matthew Simensky	Employer Services Section Manager
Jane Wood	Member Services Strategic Lead

**Apologies for Absence:** Councillor Andrews, Cooney, Cunliffe, Patrick, and Wills.  
Mr Flatley and Mr Caplan  
Fund Observers: Mr Pantall & Councillor Ryan

## 37 DECLARATIONS OF INTEREST

There were no urgent items.

## 38 MINUTES

The minutes of the meeting of the Administration, Employer Funding and Viability Working Group on the 21 January 2022 were approved as a correct record.

## 39 SCHEME ADDITIONAL VOLUNTARY CONTRIBUTIONS

Consideration was given to a presentation of Prudential, which summarised the ongoing issues, measures being undertaken to address these issues and implications for GMPF's administration service. The report also summarised the performance of the open investment funds on the GMPF AVC platform performance during 2021.

The Head of Corporate Pensions and Client Manager at Prudential delivered a presentation detailing recent performance and set out the actions to improve performance going forward and provided a summary of the recovery plan. It was stated that since mid-2021 there had been a material improvement in the service provided as measured through processing times and customer waiting times. The focus continued to be on the maintenance of service and further improvements to ensure sustainability. Further support continued for payrolls and plans continued to be developed for greater online engagement.

In regards to claims and transfers as at 1 April 2022, there were 28 cases outstanding. On contribution processing as at 1 April 2022, there was proactive contact via email and telephone was continuing to resolve any payroll submission issues.

There were 3 complaints currently outstanding, of which 2 were being re-opened regarding an existing complaint.

Discussion ensued between the Working Group and representatives of Prudential on the Claims and Transfers and Contribution processing statistics.

The Director of Pensions highlighted that Prudential did not meet GMPF's deadline for providing information as at 31 March 2021 for inclusion in GMPF's accounts and had not to date provided annual benefit statements for GMPF members as at 31 March 2021. Further, work on the accounts for following year had begun and there was concern that Prudential would not meet the deadline for providing information. The Head of Corporate Pensions at Prudential assured the Working Group that there was delivery plan being worked on and the Working Group would be updated on Prudential's progress against it.

## **RECOMMENDED**

**That the Working Group note the report and the presentation from Prudential.**

## **40 ADMINISTRATION STRATEGIC SERVICE UPDATE**

Consideration was given to a report of the Director of Pensions / Assistant Director for Funding and Business Development / Assistant Director for Administration. The report provided the Working Group with a summary of the strategic improvement administration projects or areas that were being worked on by the Administration, Funding and Accountancy teams.

As reported previously, as the need to manage the impact of the pandemic reduced, the teams focus had switched to managing the transition to hybrid working. A draft framework for future working arrangements had been drawn up, covering office, home and other remote working, and workshops were being held with each team to finalise the guidance and changes needed to support the new ways of working. It was intended that new arrangements would be in place for May or June 2022.

The transition of files to Microsoft SharePoint which began in May 2021 continued with file migrations planned until the end of the year. Work to develop the new telephony infrastructure that went live at the start of July 2021 also continued. Progress on the Fund's cyber security strategy had also continued and this was covered in more detail in the Developments & Technologies Update Report.

The administration performance dashboard for quarter 3, October to December 2021 was attached at Appendix 1. Overall administration workflow and performance remained consistent. There was generally much less volatility in workloads as the effects of the pandemic change.

The main themes of the complaints received over the quarter relate to issues with logging into My Pension or regulatory decisions that members were unhappy with (such as auto-enrolment). The compliments received relate to good customer service being provided by GMPF colleagues. There was one suggestion received in relation to the call back option to prevent members from having to hold and the choice of music being played while members were on hold.

It was reported that the expenditure budget for 2022/23 had been produced and was presented to the Pension Fund Management Panel at its last meeting. The budget covers the expenditure by the Fund on governance, administration and investment costs for oversight and internal management. Several minor changes had been made to the accounting codes for administration elements this quarter with the aim of enabling officers to better scrutinise administration costs from April 2022 onwards.

Senior Officers continued to meet each month to review employer performance in line with the Pensions Regulators expectations. The timeliness of employer contribution payments and the submission of accurate monthly data returns were the main areas of focus.

In regards to preparations for McCloud, the Working Group were advised that further information from DLUHC including draft regulations was still awaited. The LGA believed this could become available before the summer recess, with further regulations to be made in the autumn. The regulations were now not expected to come into effect until October 2023. The continual delays were of concern, and the risks from this faced by funds and their software suppliers had been emphasized to colleagues both at the LGA and at DLUHC.

It was stated that the triennial actuarial valuation of the Fund would take place as of 31 March 2022. Preparations had begun with data extract testing underway.

Officers had been supporting the National LGPS Frameworks team to create a procurement framework for administration operational support services. Six LGPS funds, including GMPF, were working together to enable this framework to be established.

Officers had also been supporting with the creation of a new benchmarking framework to be hosted by CEM. The aim of the Voice of the Customer framework was to enable the consistent measurement of member and employer feedback across the pensions industry. It would provide for data to be captured, compared, and tracked over time. The overriding objective was to improve the service experience of pension scheme members and employers

## **RECOMMENDED**

**That the report be noted.**

### **41 ADMINISTRATION MEMBER SERVICES UPDATE**

Consideration was given to a report of the Director of Pensions / Head of Pension Administration. The report provided the Working Group with a summary of the work and projects being carried out by the Member Services section of Pension Administration.

The Working Group were advised that work had commenced on the project to produce Annual Benefit Statements (ABSs) for 2021/2022 for both contributing members and members with benefits on hold. The statutory deadline for issuing these statements was 31 August 2022. Statements for members with benefits on hold would be uploaded to their My Pension accounts by 31 May 2022.

It was reported that the deadline for submission of voluntary scheme pays requests from members who had exceeded their annual allowance was 31 January 2022. 43 Scheme pays requests were received and these were all processed by the deadline with the details being sent to HMRC.

The project to move processes online continues, with the current areas of focus being to move further transfer processes online and for members with benefits on hold to be able to arrange for their benefits to be put into payment. Work continued with the software provider, Heywood Pension Technologies, to develop the facility where members can complete their forms online, which would bring further improvements and efficiencies.

The review of the pension overpayment recovery process had been progressing and new procedures were being put in place to strengthen the likelihood of recovery whilst ensuring cost efficiency. An analysis of all outstanding member related debt could be found in Appendix 1.

It was stated that Appendix 2 provided information on the survey responses received for the bereavements first stage process, retirement offers, deferred benefit offers and deferred refund processes for the period.

It was reported that GMPF's print provider, Adare, were now printing and mailing a significant amount of the correspondence from the Bereavements Team, which could not be uploaded to My Pension accounts due to potential beneficiaries not having them at the point that correspondence needs to be sent.

Work had commenced on reviewing the processes linked to external pension transfers. On the 8

November, The Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021 were laid and took effect from 30 November 2021. These regulations set out additional checks that all pension arrangements must make before paying a transfer value to a new arrangement.

#### **RECOMMENDED**

**That the report be noted.**

### **42 ADMINISTRATION EMPLOYER SERVICES UPDATE**

Consideration was given to a report of the Director of Pensions / Head of Pension Administration. The report provided the Working Group with a summary of the work and projects being carried out by the Employer Services area of Pension Administration.

It was stated that there continued to be a significant number of employers applying to join GMPF with 90 applications currently being progressed. A further 29 enquiries had also been made by employers considering applying for admission. A list of all applications ongoing and those applications agreed or closed over the last quarter was enclosed at Appendix 1.

As mentioned at the previous Working Group meeting, now that all employers had been on-boarded to I-connect and were expected to submit monthly data, work had focussed on ensuring that employers were submitting data by the deadlines outlined in the Pensions Administration Strategy. In February 2022, a notice of warning letter was sent to employers who have failed to submit their monthly returns on time on three or more occasions within the last twelve months. The table in section 1 of Appendix 2 showed local authority monthly data submission performance from April 2021.

In regards to employer performance and audits, performance data was available in sections 2, 3 and 4 of Appendix 2. Section 5 of Appendix 2 provided information about the most recent employer audits that have taken place. The current position relating to employer debt could be found in Appendix 3.

The Working Group were advised that due to the success of the new GMPF employers' section of the website and the effectiveness of Microsoft Teams to deliver training for employers, officers had carried out a review of all employer training and had developed an employer training suite covering all essential areas of pensions administration. Training on ill health, discretions, pensionable pay, retirements, and leavers, topping up benefits and the Altair pensions administration software was now available to employers. So far, 204 employer representatives have attended our events, which had been well received with 99% of attendees saying they would recommend the training to others.

Key successes and achievements were highlighted to the Working Group. It was stated that the Employer Liaison team was working with all employers who had not submitted an up-to-date discretions policy to the Fund with some success. The team had contacted 290 employers and had so far had over 200 policies returned. The team was providing training to any employers who require it, reviewing each policy received and chasing those employers yet to submit a policy.

#### **RECOMMENDED**

**That the report be noted.**

### **43 ADMINISTRATION COMMUNICATIONS & ENGAGEMENT UPDATE**

Consideration was given to a report of the Director of Pensions / Assistant Director for Administration. The report provided the Working Group with a summary of the work and projects being carried out by the Communications & Engagement area of Pension Administration.

It was reported that amendments and minor changes continued to be made to the Enghouse phone system to meet the demands of callers, and to improve functionality. A full report was being

finalised that included statistics that gave data around all aspects of calls, such as wait times and handling times so that this could be readily available and easy to produce in future. The next phase in the project was implementing emails within the Enghouse system. Testing on this had now been completed and from 21 March 2022, all emails regarding My Pension will be filtered through the Enghouse system. An update on the success and benefits of this will be provided in the next report.

Up to date statistics on the number of members signed up to My Pension and the number of members who had opted for paper communications could be found attached to the report at Appendix 1. Registrations for My Pension increased significantly over a two-week period in February 2022 following the issue of our latest member newsletters. Tameside MBC had almost 50% of its contributing members registered for My Pension.

The Communications report detailing call and email statistics for the last quarter could be found at appendix 2. The recent newsletter issued to contributing members and those with benefits on hold resulted in the number of calls and emails received increasing significantly. There was an increase in online member engagement across several areas.

The Communications Team had begun working with other teams and squads gathering feedback in preparation for the production of Annual Benefit Statements for contributing members and members with benefits on hold being issued before 31 August 2022.

It was stated that work had continued on the production of informative videos for members and a new Death Benefits video had recently gone live on the GMPF website.

The GMPF Complaints and Issues Board, chaired by the Director of Pensions, meet every month to review all complaints, suggestions, compliments, and disputes received. During December 2021 and January 2022, 3 complaints and 6 compliments were received.

Key successes and achievements were highlighted to the Working Group. It was stated that feedback received following member presentations showed that almost 93% of attendees found the event they attended very informative. The full feedback report could be viewed in appendix 5.

## **RECOMMENDED**

**That the report be noted.**

## **44 ADMINISTRATION DEVELOPMENTS & TECHNOLOGIES UPDATE**

Consideration was given to a report of the Director of Pensions / Assistant Director for Administration. The report provided the Working Group with a summary of the work and projects being carried out by the Developments and Technologies section of Pension Administration.

It was reported that work on the project to replace and renew both the IT hardware and software infrastructure of GMPF continued. Work this quarter had focussed on the introduction of Multi-Factor Authentication (MFA) across the Microsoft 365 tenancy and on sourcing replacement hardware for on-premise servers. Tameside IT Services recommended and implemented a dedicated Virtual Private Network (VPN), which allowed GMPF users to access systems and resources they use. This allowed GMPF to further strengthen cyber defences.

Work to migrate files and documents to SharePoint had also continued, with all administration teams having now migrated their structural team files. The focus had now moved on to the migration of collaborative files where cross working between teams was needed. For other Service Areas the migration process was more complex as most currently still had accounts on the Tameside MBC IT domain, as well as a new account on the GMPF domain. Currently the work needed to migrate these Service Areas was being scoped to establish a realistic timeframe for when they would fully reside on the GMPF domain. The Pension Fund Legal team had an added complexity in that the main system used for holding their casework could only be accessed by users of the Tameside MBC domain and Tameside issued devices. A report and options appraisal was being prepared and would be consider by the Fund Management Team and a further update would

be provided at the next Working Group meeting.

It was stated that GMPF continued to work with CLASS colleagues to improve the experience for all members of TWP, and to provide assurance to the wider CLASS group on test results. The Compliance team at GMPF also continued to improve the internal testing process and seek continual feedback from those involved in testing to ensure maximum value was gained for our efforts. During the latest TWP, a new method of testing was implemented.

The Developments team were in the process of procuring the replacement for the IT Service Desk system that was currently used. The call-off contract had been received and was currently being reviewed. The Data Protection Impact Assessment (DPIA) was currently being reviewed by the Information Governance Team. A trial version of the system was now in place and once procurement was complete, this would become our live service. As such, the project team had been able to begin configuration of the system and become familiar with its functionality ahead of the implementation. The planned go live date for the system was 15 April 2022.

The Compliance team were working to review existing reports and reporting tools used to measure Key Performance Indicators (KPI) and benchmarking information. In total there were 24 standards that GMPF aim to report against. Work was underway to ensure that this could be achieved from 1 April 2022, to provide a full financial year of reporting next year.

#### **RECOMMENDED**

**That the report and the updates provided be noted.**

#### **45 PENSIONS DASHBOARD UPDATE**

Consideration was given to a report of the Director of Pensions / Assistant Director for Funding and Business Development. The report provided the Working Group with an update on the Government's Pensions Dashboard project.

Members were reminded of the background of the Governments Pensions Dashboard project. It was explained that Pension dashboards would be online platforms providing one place for individuals to access pensions information from multiple sources, including accessing data about their State Pension.

The Working Group were advised that LGA had responded to the DWP consultation on behalf of all LGPS funds. In their response, the LGA expressed concern that the timescales being proposed by DWP could be unachievable. They believed the work involved for LGPS funds to be able to connect to the dashboard architecture and the requirement for funds to implement the McCloud changes in the same timeframe, would create a significant challenge.

They also highlighted several other issues, including the DWPs apparent exclusion of deferred refund entitlements from dashboards. This appeared to go against one of the main project objectives, being to reuniting people with pension benefits they had lost touch with.

In regards to next steps no specific tasks were being carried out by officers at present in relation to the dashboard project, other than responding to requests for feedback or information as it was received. It was anticipated the DWP would issue its response to the consultation feedback in the coming months and that more information would be published in the summer. The GMPF team would continue to work closely and give input to the various parties and forums supporting this project.

#### **RECOMMENDED**

**That the report be noted.**

#### **46 URGENT ITEMS**

There were no urgent items.

**CHAIR**