

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

21 July 2023

**Commenced:** 11:00

**Terminated:** 11:50

**Present:** Councillors Fitzpatrick (Chair), Ricci, Ward, North and Mistry

Mr Llewellyn

**In Attendance:**

Sandra Stewart	Director of Pensions
Emma Mayall	Assistant Director of Pensions (Pensions Administration)
Victoria Plackett	Head of Pensions Administration
Joanne Littlejohn	Employer Services Strategic Lead
Georgia Ryan	Developments & Technologies Strategic Lead
Jane Wood	Member Services Strategic Lead
Matthew Simensky	Communications & Engagement Strategic Lead

**Apologies for Absence:** Councillors Axford, Billington, Drennan, Grimshaw, Lane, Martin and Rehman.

Mr Flatley and Ms Blackburn

## 1 DECLARATIONS OF INTEREST

There were no declarations of interest.

## 2 MINUTES

The minutes of the Administration, Employer Funding and Viability Working Group on 14 April 2023 were approved as a correct record.

## 3 ADMINISTRATION STRATEGIC SERVICE 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 strategic improvement administration projects or areas that were being worked on by the Administration, Funding and Accountancy teams.

The Assistant Director for Administration detailed the progress on key strategic business plan items. Work to enhance the functionality and usability of My Pension online continued. Officers were focussed on updating the retirement process for contributing members. Work on this project continued to go well and the improved functionality would be rolled out to more processes over the coming months.

It was explained that work on all IT projects continued to go well. Changes to the disaster recovery and back up arrangements were now implemented and work on the project to improve cyber security resilience and controls continued to progress well.

The regulations and guidance on McCloud were still awaited. The Government issued its response to the LGPS McCloud consultation in April 2021 and issued a further consultation in May 2023 which sought views on several areas that were not included in the original consultation. It was explained that the LGA believed regulations would be made in the autumn with an effective date of

1 October 2023. However, statutory, and non-statutory guidance was not expected to be available until sometime after this date. This project would continue to be a priority project for officers for the next twelve months and beyond once the implications of final regulations were fully known and understood.

In regard to the Administration Work and Performance, a performance dashboard for quarter 4 (January to March 2023) could be found attached at Appendix 2. Overall, levels of casework and performance against turnaround targets remained relatively consistent. Performance levels remained high and work on projects that support improving the service provided to members had continued.

It was explained that there were two areas that experienced a substantial increase in workload. The first affected member benefits, where significant numbers of revised pay figures were received because of the backdated pay award agreed in the autumn. The second affected customer services, where there was higher than expected demands from members for support, leading to long call and email response wait times. Steps had been taken to address these issues, and officers continued to make changes aimed at achieving improvements.

As covered at the July 2023 Management Panel meeting, there remained several challenges with work to finalise the accounts for 2021/22. Work was now underway on the project to produce the annual report and account for 2022/23.

It was reported that the main area of ongoing work which ensured GMPF meets the expectations of the current codes of practice was centred on ensuring GMPF employers meet their responsibilities. Senior Officers continued to meet monthly to review employer performance in line with the Pension Regulator's expectations. The timeliness of employer contribution payments and the submission of accurate monthly data returns remained the main areas of focus. Work had been undertaken to support employers to improve and this continued to have a positive effective.

Members of the Working Group were advised that the Pensions Dashboards Regulations came into force on 12 December 2022. They required Public Service Pension Schemes to connect to the initial Dashboard by 30 September 2024. However, on the 2 March 2023, the Department for Work and Pensions announced plans for a 'reset' of the Pensions Dashboards Programme, with a further update on the plan for the delivery of pensions dashboards expected before summer recess. Officers would continue to monitor the progress of this project closely and consider the impact of the delays on GMPF's dashboard project and resource plans.

One of GMPF's business plan objectives was to work to achieve PASA accreditation. PASA is the Pensions Administration Standards Association and aims to promote and improve the quality of pension's administration services for UK pension schemes. GMPF are already a member of PASA.

Hymans Robertson was supporting the GMPF team with this process by providing project management support. Initial project meetings were held in August and September 2022 and a project management structure was now in place and a gap analysis exercise had been carried out. From this, several work streams had been identified and work was carried out last quarter on identifying all the actions that need to be undertaken. Originally, the aim had been to try to achieve accreditation by October 2023. However, based on current progress and evaluation of the further work that needs to be undertaken, this has been revised to spring 2024. Further updates on the progress made would be provided to the Working Group each quarter.

Over the last quarter, work had taken place to deliver the new trustee training plan for 2023/24. Updates had been made to the Governance area of the GMPF website and work on creating new trustee training events to reflect the changes agreed had taken place.

## **RECOMMENDED**

**That the report be noted.**

## **4 ADMINISTRATION MEMBER SERVICES UPDATE**

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

It was explained that the factors that are used daily to administer the LGPS were based on the SCAPE rate. In March 2023, the Government confirmed that a reduction to the SCAPE rate to 1.7% above inflation, compared with 2.4% previously. Officers summarized the impact of the change to the SCAPE rate and explained that these changes affect the service delivery to GMPF members. Members were informed and were given regular progress updates throughout the period.

It was reported that work had been undertaken to produce the Annual Benefit Statements for 2022/23 for both contributing members and members with benefits on hold. Statements for members with benefits on hold were all uploaded to their My Pension accounts by 31 May 2023. All remaining contributing members would have their statements uploaded to their My Pension accounts by 31 August 2023. Those who have requested paper communications would also receive their statements by this date.

The project to move processes online so that members can access documents and make decisions through their GMPF My Pension account continued to progress. New workflow was being built and robust testing would then be completed by the team to ensure the new process is fit for purpose. A further progress update on this work would be provided at the next meeting.

It was reported that in July 2023, internal procedure changes were being made to the processes for calculating deferred benefits for members who leave the scheme early. A bulk processing calculator would be used that would bring significant efficiencies. Information showing the benefits of this work would be provided at the next meeting.

The 2023 National Fraud Initiative had begun. The exercise was run by the Cabinet Office, and was led, and coordinated internally by the Tameside MBC Internal Audit team. Reports were received by GMPF, and checks were undertaken to establish if payments were being made in error. The results of this work in full would be presented at a future meeting. In regard to pension overpayment recovery, Appendix 1a provided details of all pension overpayment cases reviewed in quarter 4.

In addition to measuring the performance using key performance indicators, GMPF issued surveys to members to obtain a view of member experience for several key processes. Results of surveys would be subsequently carried out by the Complaints and Issues Board. Appendices 2a provided details of the questions asked in the surveys and show the responses received from members. All subsequent actions identified were added to a surveys action plan, a copy of which was provided at Appendix 2b.

In regard to member existence checks, it was explained that members have multiple options to use to complete checks such as their My Pension account or could fill in a paper form. It was reported that 2257 existence check emails or letters had been sent to overseas member and 453 members completed their checks online through their My Pension account within the first week.

The work undertaken to move processes online continued to be a success. Future surveys would provide more detailed member feedback on the new processes deployed, but positive feedback has already been received from those members been in contact.

It was reported that the significant increase in the level of revised pay information continued to be a challenge. Teams continued to work hard to process these in a reasonable timeframe and the progress of this work would be closely monitored.

### **RECOMMENDED**

**That the report be noted.**

## 5 ADMINISTRATION EMPLOYER SERVICES UPDATE

Consideration was given to a report of the Director of Pensions / Head of Pensions 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 reported that there continued to be a steady number of employers applying to join GMPF, with 39 admission cases currently being progressed. Within these, there were twelve employers who may need to apply for admitted body status but where application forms had not yet been received. Work was ongoing with these employers. The team continued to monitor schools that were looking to convert to academy status. There were currently 52 schools considering conversion. There were also ten possible free schools to be created in the Greater Manchester region. A list of all applications ongoing and those applications agreed or closed over the last quarter was attached at Appendix 1. GMPF had admitted 22 employers since the last Working Group meeting, eight of which had backdated effective dates prior to 1 April 2022.

A review of the admissions procedure was underway which ensured that processes were as efficient as possible and employers were admitted more promptly to the Fund going forward.

In regard to monthly data collection, the Employer Data team supported all employers to submit their monthly data return correctly and on time. The number of submissions received on time had been improving each month, with 78.57 per cent of employers meeting the deadline in April 2023. Further work was required with those employers who are not submitting their data on time to provide them with the necessary help and support to achieve the required deadline. The table in Section 1 of the attached Appendix 2 showed local authority monthly data submission performance from May 2022 to April 2023.

It was explained that it was important that all data submissions were accurate and on time. However, this was particularly important for the March monthly submission as the data provided was used in the Annual Benefit Statements and the Pension Savings Statements for members. It was pleasing to note that all employers had submitted their March 2023 submission by 20 April 2023 enabling the year end work to commence promptly. Various tasks were undertaken to check data quality as part of the year end work. The aim of this work was to ensure that the data held for all members was completed and accurate and could be used to calculate the information provided in Annual Benefits Statements and the Pension Savings Statements.

It was reported that in regard to data collection for McCloud, although the regulations were still awaited, the data collection and verification process was underway and 140 data files had been issued to employers to data. At the time of the meeting, 19 employers has returned their data files.

The Working Group were advised that an indication of the performance of GMPF's larger employers were gained by recording data about the timeliness of new starter and early leaver information, and the number and age of queries that are outstanding with those employers. This data was provided to all local authorities, the Chief Constable of Greater Manchester, and the National Probation Service monthly. Performance data was available in Sections 2, 3 and 4 of the attached Appendix 2.

A review of monthly performance data was undertaken with a view to increasing the amount of performance information provided to employers each month. Work to review the provision of performance data to all other employers and the format this would take was underway. Due to the diverse nature of GMPF's employer's, a tailored approach would be needed which ensured the data provided was meaningful and relevant.

GMPF had recently issued Year in Review reports to all the Fund's largest employers. These reports provided employers with our view of their performance. The Year in Review document was first produced for the 2021/22 year and was well received. Issuing these reports was now an annual exercise and the number of employers that these reports have been provided was expanded this

year, with reports being issued to 30 employers. A list of the employers who had been included in this year's exercise and their performance rating was attached at section 6 of appendix 2.

It was explained that employer engagement and support were a key focus of the Employer Liaison team. Quarterly meetings were held with all local authorities, the Chief Constable of Greater Manchester, and the National Probation Service which discussed performance and any key issues that either the employer or the Fund has. A review of the format of these meetings was in progress to ensure they remain beneficial to both parties and to improve engagement further.

The Working Group were advised that GMPF continued to issue a survey to employers each quarter. A recent survey had been issued which gained employers views on the iConnect system. The results have been received and are currently being analysed and will be presented at the next meeting.

Employer training on ill health, discretions, pensionable pay, retirements, leavers, topping up benefits and the Altair pensions administration software was all now available to employers. It was reported that 758 employer representatives had attended one or more of our training events since the training events programme began. Officers were planning to review all training sessions to look at ways in which they could be made more interactive and engaging and to gauge if those attending understood the content. The Employer Services teams had worked closely with the Systems Development team on the delivery of the McCloud remedy and had created and delivered some information sessions for employers. These sessions provide background information about the McCloud remedy and explain what is required from employers. These sessions would continue to be offered to employers as the project progresses.

The delivery of the year end project had been particularly successful this year with a considerable number of improvements which were made, including more efficient and streamlined processes, employer training and support and improved tolerance and quality checks on the data received. The successful delivery of this project would therefore result in the timely and accurate production of members Annual Benefit Statements and Pension Savings Statements.

## **RECOMMENDED**

**That the report be noted.**

## **6 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 & Technologies section of Pensions Administration.

It was reported that over the last quarter, officers had continued to work to enhance the IT infrastructure and systems relied upon by GMPF. Work to install solutions in meeting rooms and the conference rooms at Guardsman Tony Downes House to enable hybrid working meetings had continued. Several meeting rooms now had this functionality and the next step was now to extend this functionality to other meeting rooms across the office.

In terms of cyber security, GMPF continued to monitor all attempted cyber-attacks. Statistics for quarter 4 (January to March 2023) could be found in appendix 1.

In regards to the McCloud project the Systems Development team was responsible for leading GMPF's McCloud project, and for coordinating all tasks that need to be undertaken. The tasks undertaken this quarter had focused on the data collection aspect of the project.

On compliance activities, it was explained that the Complaints and Issues Board continued to meet each month to review formal complaints received. Between January and March 2023, two formal Stage two disputes were received. The Compliance team continues to provide support and

guidance to GMPF colleagues to resolve issues early and prevent them escalating to formal complaints.

The strategy for Developments and Technologies service was updated annually. It contained details of the key projects and work items that were to be undertaken during the next twelve months. Appendix 2 provided information about the objectives that had been set for the 2023/24 year. Updates on each of these objectives would be provided with each Working Group report throughout the year.

## **RECOMMENDED**

**That the report be noted.**

## **7 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 Pensions Administration.

The Customer Services and Communications dashboard was attached at Appendix 1. This dashboard provided long-term statistics about general engagement from April to December on page 1, with other statistics for quarter 4 (January to March 2023) on the remaining pages.

It was reported that high call volumes coupled with resource issues on the Customer Services team had resulted in much longer than normal wait times and high numbers of abandoned calls. These challenges were being addressed and steps were being taken to review team processes, arrange regular support from other teams, and to recruit additional Customer Service officers to increase team size and resilience. Service levels were not currently at an acceptable level; however, it was expected that service levels would improve once these developments and changes are made.

The GMPF Complaints and Issues Board met each month to review all complaints, suggestions, compliments, and disputes received. Dashboards containing feedback and further actions for January, February, and March 2023 were provided in Appendix 2. In this three-month period, there were 7 compliments and 21 complaints received. The compliments were largely about helpfulness and efficiency of pensions office colleagues. The complaints were varied and included problems registering for My Pension, delays, and call wait times.

In regard to the email routing implementation, it was reported that the Customer Services contact centre system included a feature called email routing, which allowed member emails to be distributed to the team along with telephone calls. This feature had been used since April 2022 to manage emails received about My Pension. Work had been underway since then to use this feature to manage all email subject types that were received. By doing this, the team would be able to better monitor incoming emails and response times. This work was now completed and would enable improved statistics and management information to be collected in future.

The Working Group was advised that member registrations for My Pension continued to increase steadily each month. Current 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 in the dashboard in Appendix 3.

It was reported that two new videos had been added to the investment section of the GMPF website. The first video was about the Greater Manchester Property Venture Fund (GMPVT) and the second is about GMPF Impact Portfolio. Several articles were added to the news section of the GMPF website including confirmation of the 2023 pensions increase and the budget and how this affects members' pensions. The budget article specifically detailed the changes to the lifetime allowance and annual pension allowance.

It was explained that several improvements had been implemented to help the Customer Services team deal with high call and email volumes. Training of additional support has meant that extra capacity was available to help deal with the busy My Pension call queue. The Member Services section also assisted by taking calls from members querying the progress of their retirement. Further improvements were underway and details of these would be included in future working group reports.

**RECOMMENDED**

**That the contents of the report be noted.**

**38 URGENT ITEMS**

There were no urgent items.

**CHAIR**