

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

Date: 8 March 2024

Reporting Officer: Sandra Stewart – Director of Pensions
Emma Mayall – Assistant Director for Administration

Subject: **PENSIONS ADMINISTRATION UPDATE**

Report Summary: This report provides an update on the following key items:

- Performance and engagement activities
- Compliance activities
- Employer funding activities
- Key projects updates

Recommendation(s): It is recommended that the Panel notes 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 which warrants its consideration in the absence of the Press or members of the public.

Background Papers:

APPENDIX 15A	GMPF Admin Performance Q3
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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. INTRODUCTION

- 1.1 Each LGPS administering authority has a legal responsibility to manage and maintain their LGPS fund. This role is referred to as the scheme manager in the Public Sector Pensions Act 2013. Although these legal responsibilities lie with the organisation as a whole, they are usually delegated to committees, subcommittees and/or senior officers. The local pension board has a legal responsibility to assist the scheme manager in securing compliance with its obligations, many of which focus on efficient and effective administration.
- 1.2 Consequently, senior officers, committee and board members have a collective responsibility for the proper governance of a fund, including administration and communication matters. Key responsibilities include ensuring that:
- Legal and statutory duties are being met
 - Breaches of the law and errors are recorded, monitored, and remedied, with the correct actions being taken
 - Workloads are being monitored and adequate resources are in place to manage them
 - Internal performance targets are being met and are being regularly monitored
 - Data is being managed effectively and in line with data protection requirements
 - Employers are being supported and their performance is being monitored and managed effectively
 - Business plan items are being delivered and risks are being managed effectively
- 1.3 For GMPF, the Administration and Employer Funding Viability Working Group is the subcommittee that focuses on ensuring the Fund is meeting its responsibilities regarding administration and communication matters.
- 1.4 This report provides the Management Panel with a summary of some of the key items of work relating to the above responsibilities, covering:
- Performance and engagement activities
 - Compliance activities
 - Key project updates

2. ADMINISTRATION PERFORMANCE AND ENGAGEMENT ACTIVITIES

- 2.1 A performance dashboard for quarter 3 (October to December 2023) can be found at **Appendix 1**.
- 2.2 Overall, levels of casework and performance against turnaround targets remain relatively consistent. Performance levels in almost all areas remain high and work on projects that support improving the service provided to members has continued. The number of recalculations required due to backdated pay awards continues to have an impact on some internal target achievement rates, however performance measured against statutory targets remains consistently high.
- 2.3 There were no significant project items or areas of change in quarter 3 to note. The team continued to focus on making improvements to the workflows and processes to improve the customer experience, with the online retirement processes being the main one of these. Work on several other projects progressed well during the quarter, one of these being to complete the website platform upgrade work.
- 2.4 My Pension registration figures continue to increase, with over 185,000 members now registered to access their online account. There was a decrease in usage statistics, which was expected following the increases seen in quarter 2 caused by the issue of annual benefit statements to contributors.

- 2.5 There was a decrease in the number of complaints received compared to the previous quarter, with 19 complaints having been received. Almost all were for different reasons and there were no trends or key issues identified. All complaints, compliments and suggestions are reviewed monthly by the Director of Pensions and other members of the Complaints and Issues Board.
- 2.6 Member events continue to be popular and very well received. Eight member events were held in quarter 3 with 522 members attending. The events programme included LGPS overview presentations, pre-retirement presentations and sessions on ways to top up your benefits. Eighteen employer events were also held with 48 attendees. The most popular events were those held to cover McCloud and Altair.

3. COMPLIANCE ACTIVITIES

- 3.1 Employer performance issues continue to be monitored closely each month. The monthly data statistics for the quarter showed that most employers are continuing to submit their monthly data returns on time. Work to encourage further improvements continues.
- 3.2 Regular support meetings are also continuing with those employers who have unresolved issues highlighted in a recent audit report, with the aim of ensuring these are rectified as soon as possible. Quarterly meetings are also held with all larger employers to ensure regular communication is maintained and that GMPF are made aware of any employer issues at an early stage.
- 3.3 All customer feedback received is logged in the TMBC iCasework monitoring system, which enables detailed management information to be obtained about all complaints, compliments and suggestions being received. The Complaints and Issues Board continues to meet monthly to consider all items logged, and all learning points are passed back to the relevant team. Regarding formal disputes received over the quarter, four stage one formal disputes and one stage two formal dispute were received during the quarter. Each appeal relates to a different area (ill health, transfer, arrears, AVC, cohabiting partners pension).

4. EMPLOYER FUNDING ACTIVITIES

- 4.1 As mentioned at previous meetings, a small number of GMPF employers have recently been reviewing their pension provisions. Following these reviews, a small number of employers have terminated their admission agreements and exited GMPF.
- 4.2 There is one employer that has terminated their admission agreement with GMPF and where a surplus was reflected in the employer's sub-fund at the termination date. Officers are continuing to work with the Fund's actuary and legal advisors on this case to determine whether an exit credit payment is due to the employer.
- 4.3 GMPF is currently working with a further two employers who are potentially seeking to terminate their admission agreements with GMPF after undertaking reviews with advisors. GMPF officers are working with these employers to assist them in determining whether an exit is financially viable. GMPF is also providing support with their employee consultation processes, in terms of providing accurate and relevant information to the affected members so that they are better informed when making decisions regarding their pension.
- 4.4 As detailed in the LGPS Update report at the last meeting, Scottish LGPS funds were required to undertake their triennial actuarial valuations as of 31 March 2023, a year later than LGPS funds in England and Wales.

4.5 Hymans Robertson has produced a [high-level summary](#) of trends they are seeing from the currently ongoing Scottish LGPS actuarial valuations. Early indications are that funds are seeing around a 50% increase in their overall funding levels with some funds substantially decreasing employer contribution rates. It is possible that these positive valuation outcomes in Scotland could lead some employers to request interim valuations in England and Wales.

4.6 GMPF is working with the Fund's actuary to understand the options for and implications of considering interim valuations, should any GMPF employers approach us regarding this matter.

5. OTHER KEY PROJECTS AND WORK AREAS

5.1 Work relating to the McCloud project has been one of the main work areas being focussed on, and this work will continue over the coming months.

5.2 Work on the roll out of the new staff development software that began in quarter 2 will continue, with a plan in place to deploy all the basic functionality over the next few months.

6. RECOMMENDATION

6.1 It is recommended that the Panel notes the report.