

**Report To:** **GMPF LOCAL PENSION BOARD**

**Date:** 29 March 2018

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

**Subject :** **ADMINISTRATION BUSINESS & PROJECT PLANS**

**Report Summary:** This report provides the Local Board with a summary of the following:-

- An update on the 2017/18 business planning objectives set by the Administration section and confirmation of the objectives set for 2018/19
- A summary of the other strategic or service improvement administration projects being worked on currently
- Comment on regular and other items of work currently being undertaken by the section

**Recommendation(s):** It is recommended that the Board note the information provided within the report.

**Financial Implications:  
(Authorised by the Section 151 Officer)** Some projects and business plan items will incur costs. These are highlighted within the report and wherever possible, provision for these costs has been made within the budget.

**Legal Implications:  
(Authorised by the Solicitor to the Fund)** Some business plan and project items are linked to statutory requirements. Carrying out the Guaranteed Minimum Pension reconciliation exercise is a HMRC requirement. Statutory requirements are also imposed by the Pension Regulator.


**Risk Management:** Good business and project planning is essential when trying to deliver an excellent service at low cost. Failure to plan properly can lead to resources not being used effectively, additional costs being incurred and deadlines not being met.

**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:** The background papers used in this report are listed below.  
Local Government Pension Scheme Regulations 2013  
<http://lgpsregs.webdigi.co.uk/schemeregs/lgpsregs2013/timeli ne.php>  
The Pensions Regulator Code of Practice 14  
<http://www.thepensionsregulator.gov.uk/codes/code-governance-administration-public-service-pension-schemes.aspx>  
Further information can be obtained by contacting Emma Mayall, Greater Manchester Pension Fund, Guardsman Tony Downes House, 5 Manchester Road, Droylsden

 Telephone: 0161 301 7242

 e-mail: emma.mayall@gmpf.org.uk

## 1. BACKGROUND AND INTRODUCTION

- 1.1 In March 2017, six key business plan items for the administration section were established. This report provides the Local Board with an update on the progress that has been made with these objectives. Business plan objectives are now being set for 2018/19 and these are detailed within this report.
- 1.2 In addition to the key business plan objectives, the section is working on a number of other projects. A brief summary of these is also provided, together with information about the work currently being undertaken.
- 1.3 Finally, comments on regular and other work items undertaken are also provided as part of this report.

## 2. 2017/18 BUSINESS PLAN OBJECTIVES

- 2.1 The six key business plan objectives set for the 2017/18 year are summarised in the table below.

Ref.	Summary Title	Objectives
1	Guaranteed Minimum Pension Reconciliation	To progress work relating to the Guaranteed Minimum Pension (GMP) reconciliation exercise
2	Year-end processes	To make further improvements to the year-end pay and contribution returns exercise, including the application of the new escalation process
3	Employer support	To improve the support provided to all fund employers, including improved communication, training, website and reference material and exchange of information
4	Business continuity plan and disaster recovery provision	To review and revise our disaster recovery provision and devise a new business continuity plan
5	Data cleansing	To make our data cleansing methods more efficient and cost effective
6	Member communication	To improve and develop our communication methods and increase our use of on-line tools (such as MSS and on-line videos)

- 2.2 The report presented to the Local Board in December 2017 confirmed that work on the GMP reconciliation project began in April 2017 and would involve reconciling data with HMRC up to their deadline of December 2018. Work continues to be carried out in line with the project deadlines set and the latest project plan confirming progress can be found at **Appendix 1**.
- 2.3 The 2017/18 year-end return process is now complete and work this quarter has focused on the 2018/19 exercise. Where identified, enhancements have been made to the improvements that were made last year (in particular to the recording of information on our internal employer database and to training webinars through software enhancements).

- 2.4 Meetings or regular conference calls have been held with all Local Authority employers, the National Probation Service and a number of other larger GMPF employers. The main aim of these meetings has been to identify problems with performance or other barriers to service delivery and put plans in place to resolve them. Improvements have been made to some areas of the employers' website and to systems in place to enable better the exchange of information electronically. There are a number of areas identified through the work already done that officers are keen to develop further. Therefore, this objective will continue into next year's plan.
- 2.5 Meetings with Tameside MBC IT department have continued to take place to discuss disaster recovery provision. A number of options have been explored and a business case is currently being finalised around the preferred option.
- 2.6 Work has progressed on amending methods of data cleansing over the last quarter and as a result, a software improvement update has been made to the Data Analysis Reporting Tool that is used to assist with data cleansing. Further work on this project will continue and other areas where the analysis tool could be used to improve the speed and accuracy of data correction will be looked at.
- 2.7 The area of member communication is the only objective where significant progress has not been made, as initially planned. However, progress has been made on reviewing the area of complaints and compliments, including looking at how we obtain member feedback in general, and on developing a three-year communications strategy. Therefore, this objective will be carried forward to the 2018/19 plan.

### 3. 2018/19 BUSINESS PLAN PROJECTS

3.1 The key business plan objectives identified for 2018/19 are as follows:

Ref.	Summary Title	Objectives
1	Structure review and staff engagement	To review and revise the structure of the administration section to ensure it is best placed to manage current and anticipated future workloads and projects. In addition, to ensure that all members of the team are fully engaged to deliver the best possible service.
2	Employer support	To improve the support provided to all fund employers, including improved communication, training, website and reference material and exchange of information
3	Member communication	To improve and develop our communication methods and increase our use of on-line tools (such as MSS and on-line videos)
4	Altair developments and workflow reform	To maximise use of the Altair administration system, to ensure processes are as efficient as possible and enabling an excellent service to be provided to members. In addition, to review and reform the use of Altair workflow, to take advantage of system developments and improve management data output.
5	Move to monthly pay and contribution returns	To investigate a switch from receiving annual pay and contribution returns from employers to receiving them monthly, with a view to implementing this at some point in the future.

#### 4. OTHER STRATEGIC AND SERVICE IMPROVEMENT PROJECTS

4.1 The administration section has also made progress on a number of other key projects over the last quarter. The table below provides brief details of these together with any key points of note.

Ref.	Summary Title	Update
PR4	Trivial commutation	Work is being undertaken to put procedures in place that would enable GMPF to offer members the option of taking their benefits as a one-off lump sum rather than receiving a very small monthly pension where the regulations allow them to do so. All payroll element changes have now been put in place and changes to letters and procedures have been made. It is expected that all deferred members where this applies will be offered the option to commute their pension at the point of retirement as standard by the end of April.
PR5	Monthly postings and i-Connect	A project team was established in January to begin work on re-investigating the possibility of receiving monthly returns. Members of the project team visited another LGPS fund in February that use the Aquila Heywood 'i-connect' system to administer the receipt and processing of monthly return data. Representatives from Aquila Heywood also visited GMPF to give a demonstration of the product. Officers are now working with Aquila Heywood to establish a test environment and obtain more information about the software implementation process. A pros and cons analysis document will then be drawn up together with a project plan identifying the next steps.
PR11	Death grant process review	Work on reviewing and improving the process by which the beneficiaries of death grants are determined and paid has continued. The Death Grant Discretion Board has continued to meet each month to reach decisions on current cases, as well as identifying improvements to the overall process.
PR12	Data and The Pensions Regulator (TPR)	Work has progressed on reviewing compliance against the Code of Practice 14 and other TPR related tasks. These are covered in a separate report.
PR26	Java Payroll	This new Altair software module was successfully implemented during December and January. This project is now complete.
PR32	First Bus Transfer	This project, which involved transferring the benefits of over 5000 members from the West Yorkshire Pension Fund and South Yorkshire Pensions Authority to GMPF, was completed successfully and all new pensioner members were paid by GMPF for the first time in November 2017. The majority of the data cleansing work required was carried out in December, with any remaining cases resolved by March 2018. The Pensions Administration Working Group received regular reports on this project and a final update report confirming that all administration tasks have been completed was presented to the January meeting of the Group, together with details of the post-project review outcomes.

PR33	GDPR	General Data Protection Regulations (GDPR) will come into effect in May 2018. Work to ensure the Fund is compliant is well underway, with all staff having received training and all processes being data mapped. Work will continue throughout the year to ensure steps are taken to further improve compliance and minimise risk.
PR35	Annual Report 2018	Preparation work has begun on producing the annual report 2018. A comprehensive timetable and work plan has been drawn up and regular meetings are underway.
PR36	PASA accreditation	The Pensions Administration Standards Association (PASA) has an independently assessed accreditation programme to recognise high standards of administration. Officers will be working with PASA over the coming months to attain this accreditation and work has already commenced on identifying the evidence that needs to be collated and so on in order to demonstrate GMPF meets the required standards.

## 5. UPDATES ON REGULAR AND OTHER WORK ITEMS

5.1 All regular items of work completed by the section are measured using workflow analysis statistics and key performance indicators. The latest performance record of the Pensions Administration section for the 12 months is detailed in **appendix 2 and 3**.

5.2 Performance has been steadily improving in a number of areas over the last twelve months. This is demonstrated in the graphs shown in **appendix 4**.

5.3 In 2015, GMPF informed the Pensions Regulator that it had issued 69.26% of annual statements for contributing members by 31 August deadline. A program of improvement was outlined to demonstrate to the Regulator how GMPF intended to improve and reach the 100% target. The number of statements issued on time since then is as follows:

2015 – 69.26%

2016 – 96.30%

2017 – 98.40%

5.4 These figures show that the improvements made have led to GMPF making significant progress towards the 100% target.

5.5 Other items of work being undertaken at present include:

- Follow-up actions needed as a result of Altair release 8.1, which was implemented at the beginning of March
- Annual Pensions Increase updates
- Preparations for the issue of P60s, payslips and the annual Grapevine newsletter for pensioners, due out in April / May
- Preparations for the issue of annual benefit statements for deferred members, to be issued in May
- Employer admissions for 44 admission bodies and 20 academies being processed

## 6. RECOMMENDATION

6.1 It is recommended that the content of the report be noted.