



Committee report

Committee **ISLE OF WIGHT LOCAL PENSION BOARD**
Date **17 JANUARY 2023**
Title **ADMINISTRATION SERVICE UPDATE**
Report of **PENSIONS MANAGER**

EXECUTIVE SUMMARY

1. This report presents an update of activity, performance against service standards and information of complaints and breaches of the law, since the last pension board meeting in 26 October 2022.

RECOMMENDATION

2. That the content of this report be noted by the Pension Board.

MEMBERSHIP NUMBERS

3. Changes in membership numbers by status from 1 May 2022 to 30 November 2022 as follows:

Status	Apr-22	Nov-22	Change	% change
Active	4,321	4,463	142	3.3%
Deferred	6,250	6,391	141	2.3%
Pensioner	5,311	5,454	143	2.7%
Frozen & Undecided	1,012	1,098	86	8.5%
TOTAL	16,894	17,406	512	3.0%

Please refer to Appendices 1 and 2 for full breakdown of current membership.

PROJECT UPDATES

4. Updates for:
 - (a) **Target Tracing Service**
 - Monthly Mortality Screenings - underway in respect of members currently in receipt of a pension from us. First 3 months has identified 30 members who are now deceased.

- Next of Kin Traces - of historic deceased members who we have not been able to contact. Target have successfully traced 24 Deceased members next of kin.
- Mortality Screenings – of deferred and frozen members has identified 26 deceased members.
- Automated Trace on Members - for members we currently have marked as Gone Away:
 - Out of the 696 Gone Away members Target have identified 527 with linked addresses.
 - We have written to these addresses requesting members contact us.
 - Current Update – 189 members have responded and confirmed their new addresses. This represents a 35.86% success rate.

Next Steps

- Carry out Full Trace on members that Target have identified as not living as stated at the address we hold and have no linked address.
- Continue to suspend payments to members identified as deceased through the monthly screening.
- Utilise the Next of Kin Trace for deceased members where we have exhausted all other avenues to contact next of kin.
- Carry out International Morality Screening/Automated Trace service for members who currently live abroad.

(b) **i-Connect**

- Strictly Education is the only remaining employer/payroll provider to onboard. They currently run payroll for 6 of our employers.
- They have engaged in the onboarding process and we are having monthly meetings to feedback on the file specification and any errors that are generated as part of the testing.
- September and October files have been analysed and tested through Altair Test service.
- Go Live projected March 2023. This will ensure all end of year data is automatically captured and uploaded to Altair.

Next Steps

- Continue to analyse test upload files from November up to February.
- Liaise with Strictly Schools/Academies to rectify any missing starter/leaver information (currently sending data extracts to rectify data quality issues monthly).

(c) **Altair Image**

- Altair Image is an integrated Document Management system that has been developed to address the document storage and retrieval requirements. The aims are:
 - improve efficiency by reducing the time taken to retrieve documentation.
 - reduce the office space required for document storage.
 - improve document security.
 - enable online access to documents for members.
 - store non-member related documents, such as Trust Deed and Rules, Trustees minutes, pensions articles.
 - integration with Altair admin system, including Workflow and Document Production.
- Project engagement with IWC ICT team.
- Meeting held 19.12.2022 with Heywood & ICT to discuss technical aspects of implementation.

Next steps

- Sign-off technical and implementation studies.

- VPN will need to be configured to allow scanning traffic to Hosted Altair environment.
 - Installation of Altair Scan Client software onto team laptops.
 - Enable Image module in Test environment to facilitate:
 - Testing.
 - Training.
 - Acclimatisation of the new features.
- (d) **McCloud**
- 94% of employer data has been received, analysed and is ready for Heywood's analysis and provisional upload.
 - There are 4 employers who have not yet submitted their information.
 - Collated aggregation concurrent cases for manual review.
- Next Steps
- Continue to analyse and collate outstanding queries.
 - Upload employer data to Heywood's File Transfer for them to analyse and upload.
 - Review any in scope interfund transfers in and out.
 - Continue to test the McCloud calculations in Altair Test service. These include the creation of the CARE tranches and the underpin McCloud rectification data view.

KEY PERFORMANCE INDICATORS

4. To note administration statistics for the year 2022-23 to date (please refer to Appendices 3 and 4 for a full breakdown).

EMPLOYER COMPLIANCE WITH PENSION ADMINISTRATION STRATEGY

5. This report includes details of monthly contributions for August 2022 – November 2022 for data submissions and payments which were due by 22 December 2022. There were three late payments during the reporting period:
- (a) St Catherine's School - for August payment received after deadline on and 23 September 2022 and September payment received on 24 October 2022.
- (b) Top Mops – for August payment received on 28 September 2022.
- There were also seven late data submissions:
- (c) Keys Group:
- August data received within 1 day of submission deadline.
- (d) St Catherine's School:
- July data received within 3 days of submission deadline.
 - August data received within 3 days of submission deadline.
 - September data received within 2 days of submission deadline.
 - November data received within 1 day of submission deadline.
- (e) Tops Mops:
- June data (not previously reported) received within 2 days of submission deadline.
 - August data received within 5 days of submission deadline.
- Please refer to Appendix 5 for a full breakdown of employer compliance.

St Catherine's School – please see Appendix 6 for a copy of an email from Jo Thistlewood dated 24 October 2022 addressed to the school trustees. To date no response has been received to the points raised or proposed plan to improve poor performance. Please note that the school is using the i-Connect portal, although submissions are not received within the statutory deadlines.

COMMUNICATIONS

6. Summary of documentation sent to scheme employers since the last report:
 - (a) Email to trustees at St Catherine’s School regarding employer compliance.
 - (b) Email to scheme employers with details of employer role 2023 training sessions from LGA & Hymans Robertson.

COMPLAINTS

7. To note that there have not been any complaints received since the last meeting.

BREACHES OF THE LAW

8. To note that there have not been any breaches since the last meeting.

OTHER MATTERS

9. Pensions Administration Strategy (PAS)
10. Optant-out & 5050 Section statistics, as at October 2022:

	2018-19	2019-20	2020-21	2021-22	2022 to date
How many people opted out of the LGPS	22	48	24	33	7
How many people moved to the 50/50 section of the LGPS	14	12	13	9	6

There are currently 21 records where members are paying contributions to the 5050 Section of the Scheme.

11. Scheme employers:

During the reporting period Ryde Academy (RM Education) and Solutions 4 Health ceased scheme membership following their last active members leaving their employment. We have contacted these employers to discuss finalising their membership and requesting cessation reports.

During the period we were also notified of the following changes:

 - (a) Cowes Enterprise College has contracted to a new payroll provider and Dataplan took over from 1 November 2022.
 - (b) Accomplish Group completed a merger and is now known as Keys Group.
12. The rescheduled national Pension Awareness Day events were held 31 October – 4 November 2022. We circulated details to all scheme employers and schools & academies for them to share with members. We also undertook direct communications on the pension fund website, in the Vine newsletter and using Yammer posts, which were seen by nearly 900 users.

CORPORATE PRIORITIES AND STRATEGIC CONTEXT

13. The activity reported in this report do not directly impact upon any of the corporate priorities outlined in the [Corporate Plan 2021 – 2025](#).

Pension Fund Strategic Aims

14. The primary objective of the fund is to pay benefits to scheme members or their dependants in accordance with the Local Government Pension Scheme (LGPS) Regulations and other statutory provisions. The committee aims to operate the fund in such a manner that, in normal market conditions, all accrued benefits are fully covered by the value of the fund's assets and that an appropriate level of contributions is agreed by the employer to meet the cost of future benefits accruing.
15. In addition, the fund has agreed the following administration objectives, which underpin the delivery of the service:
 - Deliver a high quality, friendly and informative service to all beneficiaries, potential beneficiaries and scheme employers at the point of need.
 - Provide pension and lump sum benefits for all members, in accordance with LGPS Regulations.
 - Clearly establish levels of performance and measure the performance of both the Fund and scheme employers against them.
 - Develop successful partnership working between the Fund and its employers.

FINANCIAL / BUDGET IMPLICATIONS

16. The timely and accurate submission of monthly data returns and contribution payments by employers supports the fund in being able to pay benefits as they become due through the contributions received and income from investments, without having to withdraw funds from its investments.

LEGAL IMPLICATIONS

17. The Isle of Wight Council is the administering authority for the Isle of Wight Council Pension Fund. An administering authority is defined in the Local Government Pension Scheme Regulations 2013 as “a [local authority] required to maintain a pension fund under the local government pension scheme regulations”.

EQUALITY AND DIVERSITY

18. The council, as a public body, is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
19. There are no implications for any of the protected characteristics arising from items covered in the report.

RISK MANAGEMENT

20. Regular reviews of the timeliness, accuracy and completeness of employers' data submissions ensures that the fund can maintain accurate membership data to support the accurate payment of benefits to the correct beneficiary when they become due.

21. Monitoring the timeliness of employers' payment of contributions into the fund ensures that the fund maintains adequate liquidity to meet its current obligations, and can also allow early identification of potential issues with the financial health of the employer.

APPENDICES ATTACHED

22. Appendix 1 Membership statistics 30 November 2022
23. Appendix 2 Aggregate membership by status 30 November 2022
24. Appendix 3 KPI statistics 30 November 2022
25. Appendix 4 Pensioner payroll statistics 31 December 2022
26. Appendix 5 Employer compliance 30 November 2022
27. Appendix 6 Email to trustees at St. Catherine's School
28. Appendix 7 LGPC & Hymans Robertson employer role 2023 training sessions

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