

CAMBRIDGESHIRE PENSION FUND



Pension Fund Board

Date: 23 October 2014

Report by: Deputy Head of Pensions

Subject:	Review of Joint Administration Strategy and Joint Communications Strategy
Purpose of the Report	To seek approval for changes to the Joint Administration Strategy and Joint Communication Strategy for the Cambridgeshire and Northamptonshire Pension Funds
Recommendations	<ol style="list-style-type: none">1. To approve the revised Joint Communications Strategy for the Cambridgeshire and Northamptonshire Pension Funds2. To approve for formal consultation the revised Joint Administration Strategy for the Cambridgeshire and Northamptonshire Pension Funds
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1. Summary

- 1.1 This report outlines the regulatory background to the publication of an administration strategy and communications strategy under the Local Government Pension Scheme Regulations 2013 as amended [the Regulations].
- 1.2 The report summarises the proposed changes to be made to the Joint Communications Strategy and the Joint Administration Strategy for the Cambridgeshire and Northamptonshire Pension Funds.
- 1.3 These strategies are being brought to the Board concurrently as the Joint Communications Strategy is an appendix to the Joint Administration Strategy. Both strategies need reviewing following the introduction of the Regulations.

2. Background to the Joint Communications Strategy

- 2.1 Regulation 61 of the Regulations requires administering authorities to prepare, maintain and publish a written statement setting out their policy concerning

communications with members, representatives of members, prospective members and scheme employers.

2.2 The strategy must set out the following specific matters:

- the provision of information and publicity about the scheme;
- the format, frequency and method of distributing such information or publicity;
- the promotion of the Scheme.

2.3 A communications strategy, once published, should be kept under regular review.

3. Background to the Joint Administration Strategy

3.1 Regulation 59 of the Regulations allows an administering authority to prepare, maintain and publish a written statement setting out their policy concerning administration matters. The administering authority and its scheme employers must then have regard to that strategy when carrying out their functions.

3.2 An administration strategy may include various matters including but not limited to:

- procedures for liaison and communication with scheme employers;
- levels of performance;
- setting of performance targets;
- recovery of costs associated with the poor performance of scheme employers.

3.3 The Regulations require that the administering authority must consult with its scheme employers (and any other persons it considers appropriate) in preparing or reviewing its Administration Strategy.

4. Changes to the Joint Communications Strategy

4.1 The Joint Communications Strategy was last reviewed in August 2013 at which point the Fund's Communication Plan and Communications Strategy were combined into a single document.

4.2 Minor amendments have been made following the latest review which can be summarised as follows:

- regulatory references have been amended to refer to the requirements of the Regulations;
- partnership working has been added as method of achieving the key objective of delivering efficiencies in communications;
- the Pensions Regulator has been added as an additional stakeholder;
- contact points now refer only to the Northampton LGSS Pensions office;
- other minor amendments to bring the strategy in line with current processes.

5. Changes to the Joint Administration Strategy

5.1 The Joint Administration Strategy has not been reviewed since it was launched in April 2013.

5.2 Amendments have been made following the latest review which, once agreed by the Board, would thereafter be subject to a 30 day consultation with scheme employers and other interested parties. The following amendments have been proposed in preparedness for the consultation:

- regulatory references have been amended to refer to the requirements of the Regulations;
- a number of Key Performance Indicators have been identified that will in future form the annually published performance information;
- presentational changes including moving the Joint Communications Strategy to an appendix;
- contact points now refer only to the Northampton LGSS Pensions office.

6. Relevant Pension Fund Objectives

Perspective	Outcome
Communications	<ul style="list-style-type: none">• Promote the Scheme as a valuable benefit.• Deliver a clear and consistent message; that is simple, relevant and impactful, uses plain English throughout and engages all levels of stakeholders' understanding.• Provide clear information about the Scheme, including changes to the Scheme, and educate and engage with members so that they can make informed decisions about their benefits.• Seek and review regular feedback from all stakeholders about communication and shape future communications appropriately.• Look for efficiencies in delivering communications including through greater use of technology.

Perspective	Outcome
Administration	<ul style="list-style-type: none"> • Provide a high quality, friendly and informative administration service to the Fund's stakeholders. • Administer the Fund in a cost effective and efficient manner utilising technology. • Ensure the Fund and its stakeholders are aware of and understand their roles and responsibilities under the LGPS regulations and in the delivery of the administration functions of the Fund. • Put in place standards for the Fund and its employers and ensure these standards are monitored and developed as necessary. • Ensure benefits are paid to, and income collected from, the right people at the right time in the right amount. • Maintain accurate records and ensure data is protected and has authorised use only. • Understand the issues affecting scheme employers and the LGPS in the local and national context and adapt strategy and practice in response to this.

7. Finance & Resources Implications

7.1 The financial and resource implications are set out in the Business Plan.

8. Risk Implications

a) Risk(s) associated with the proposal

Risk	Mitigation	Residual Risk
Reputational risk of administering authority performance falling below the performance standards contained in the Joint Administration Strategy	Close monitoring of performance standards at administering authority	Green

b) Risk(s) associated with not undertaking the proposal

Risk	Risk Rating
Failure to review our Joint Communications Strategy would result in a failure to adhere to the Regulations in this area	Amber
Communications would not have to adhere to any given structure or timetable	Amber
Without a Joint Administration Strategy inconsistent scheme employer performance could result in higher administration costs	Amber

9. Communication Implications

Direct Communications	Employers will be made aware of the Joint Administration Strategy consultation and results
Website	Strategy documents will be updated on our website once agreed
Seminar	Documents will be discussed at October Employer Forums
Training	Internal staff will be made aware of the updated versions of the strategy documents.

10. Legal Implications

- 10.1 LGSS Law was consulted as part of drafting of the original Joint Administration Strategy.

11. Consultation with Key Advisors

- 11.1 The original versions of the strategy documents were developed in consultation with Hymans Robertson.

12. Alternative Options Considered

- 12.1 Not applicable.

13. Background Papers

- 13.1 Not applicable.

14. Appendices

- 14.1 Appendix 1: Joint Administration and Communications Strategy
- 14.2 Appendix 2: Joint Communications Strategy

Checklist of Key Approvals	
Is this decision included in the Business Plan?	Yes
Will further decisions be required? If so, please outline the timetable here	Unlikely – only if Joint Administration Strategy consultation identifies material changes required

Is this report proposing an amendment to the budget and/or policy framework?	No
Has this report been cleared by Chief Finance Officer/ Section 151 Officer?	Chris Malyon – 29/09/2014
Has this report been cleared by Deputy Head of Pensions?	Yes
Has the Chairman of the Pension Fund Board been consulted?	Pre-meeting held on 01/10/2014
Has this report been cleared by Legal Services?	Not applicable as same legal basis as the original strategy documents