

**Cambridgeshire Northamptonshire**  
Pension Fund Pension Fund

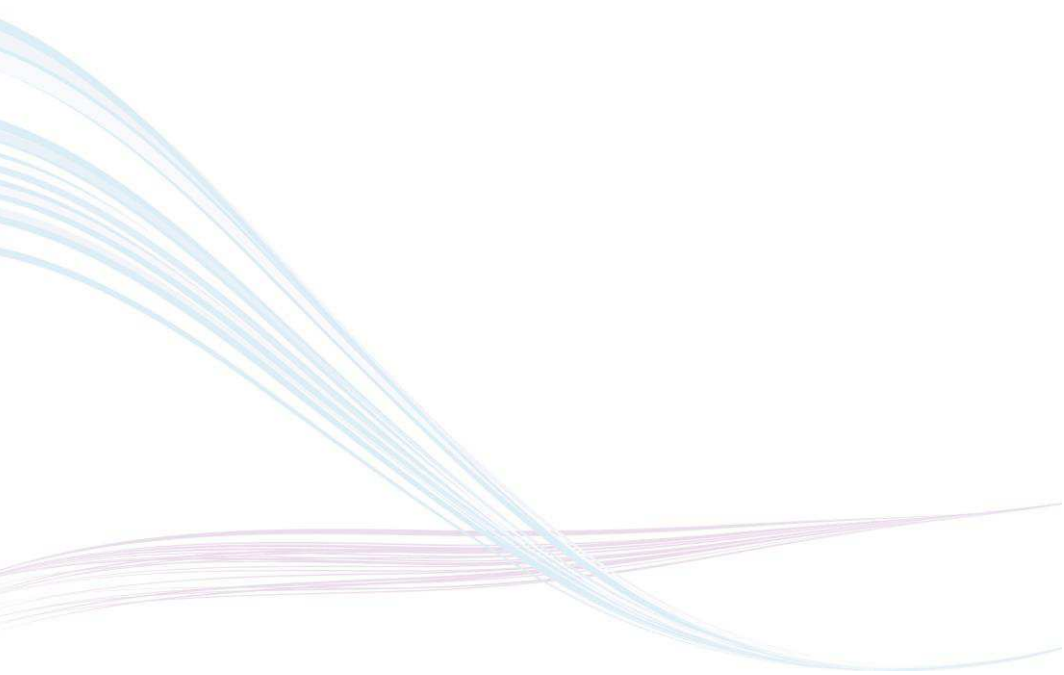
**Cambridgeshire Northamptonshire**  
Pension Fund Pension Fund

CAMBRIDGESHIRE PENSION FUND &  
NORTHAMPTONSHIRE PENSION FUND



ADMINISTRATION STRATEGY &  
~~COMMUNICATION STRATEGY~~





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## **1. Introduction**

This document ~~incorporates~~<sup>is</sup> the ~~joint Administration and Communication Strategies of Cambridgeshire Local Government Pension Fund and~~Strategy of Northamptonshire Local Government Pension Fund, ~~and Cambridgeshire Local Government Pension Fund~~ managed by ~~Cambridgeshire County Council and Northamptonshire County Council~~ and Cambridgeshire County Council respectively (the ~~Administering Authorities~~); ~~administering authorities~~. The administration of these Funds is carried out on behalf of the administering authorities by ~~Cambridgeshire and Northamptonshire County Councils~~ LGSS.

~~Together the two Funds have over 200 employers with contributing members and the total membership of over 114,000 scheme members.~~

2. The aim of this strategy is to set out clearly what is expected from the administering authorities and the Funds' employers, in order to deliver a high quality, value for money service to Scheme members.

## 2. Administration Strategy

The LGPS represents a significant benefit to scheme members. Much of the success in promoting the scheme amongst scheme members and ensuring a high quality service delivery depends upon the relationship between the administering authority and scheme employers in the day-to-day administration of the scheme. Good quality administration can also help in the overall promotion of the scheme and remind or alert employees to the value of the LGPS, thereby helping with recruitment, retention and motivation of employees.

Development of an administration strategy, as allowed for by the Local Government Pension Scheme, is seen as one of the tools which can help in delivering a high quality administration service to the scheme member and other interested parties. Delivery of a high quality administration service is not the responsibility of one person or organisation, but is rather the joint working of a number of different parties.

This Administration Strategy has been developed following consultation with employers in the Cambridgeshire and Northamptonshire Pension Funds.

The aim of this strategy statement is to set out the quality and performance standards expected of Cambridgeshire County Council and Northamptonshire County Council in their roles of administering authority and scheme employer, as well as all other scheme employers within the Funds. It seeks to promote good working relationships, improve efficiency and enforce quality amongst the scheme employers and the administering authority.

The efficient delivery of the benefits of the LGPS is dependent on sound administrative procedures being in place between a number of interested parties, including the administering authorities and scheme employers. This Strategy Statement sets out the expected levels of performance of the administering authorities and their scheme employers, as well as details on how performance levels will be monitored and the action that might be taken where persistent failure occurs.

This Administration Strategy is effective from ~~the 4<sup>th</sup> April 2013.~~[Insert Date]. It will be reviewed annually to ensure the strategic objectives remain relevant.

A separate Business Plan including actions in relation to administration matters is published and reviewed annually. This outlines how we intend to deliver this strategy, including how we achieve our objectives, the measurements we have in place to monitor our success and a timetable of events.

## Regulatory framework

This Statement has been produced in accordance with Regulation ~~6559~~ of the Local Government Pension Scheme (~~Administration~~) Regulations ~~2008~~2013. The Regulations provide that Administering Authorities may prepare, maintain and publish a written Statement setting out their policy concerning administration matters, and ~~that~~ the administering authority and its employing authorities must then have regard to that strategy when carrying out their functions.

The Regulations state that the strategy may include some of these areas:

- procedures for liaison and communication with its employing authorities;
- levels of performance which the administering authority and its employing authorities are expected to achieve in carrying out their Scheme functions such as:
  - the setting of performance targets;
  - the making of agreements about levels of performance and associated matters; or
  - the use of such other means as the administering authority considers appropriate;

- ~~procedures which aim to secure that the administering authority and its employing authorities comply with statutory requirements in respect of those functions and with any agreement about levels of performance;~~
- ~~procedures for improving the communication by the administering authority and its employing authorities to each other of information relating to those functions;~~
- ~~the circumstances in which the administering authority may consider giving written notice to any of its employing authorities with regard to recovering additional costs on account of that employing authority's unsatisfactory performance in carrying out its Scheme functions;~~
- ~~the publication by the administering authority of annual reports dealing with-~~
  - ~~the extent to which that authority and its employing authorities have achieved the levels of performance~~
  - ~~such other matters arising from its pension administration strategy as it considers appropriate; and~~
- ~~such other matters as appear to the administering authority, after consulting its employing authorities and such other persons as it considers appropriate, to be suitable for inclusion in that strategy.~~

The Regulations also require that the administering authority should consult with its employing authorities (and any other persons it considers appropriate) in preparing or reviewing its administration strategy.

In addition, regulation ~~43 of the Administration Regulations~~<sup>70</sup> allows an administering authority to recover additional costs from a scheme employer where, in its opinion, they are directly related to the poor performance of that scheme employer. Where this situation arises the administering authority is required to give written notice to the scheme employer, setting out the reasons for believing that additional costs should be recovered, the amount of the additional costs, together with the basis on which the additional amount has been calculated.

~~Therefore, this~~ This Administration Strategy of the ~~Cambridgeshire Pension Fund and Northamptonshire Pension Fund~~ and Cambridgeshire Pension Fund therefore sets out the information as required by the Regulations mentioned above.

#### **Current Trends**

~~This Administration Strategy is produced during a considerable period~~ Nothing in this strategy overrides the legal responsibilities of change. Key issues currently around are:

- ~~The prospect~~ any parties, for example the statutory requirement<sup>1</sup> to notify the Pension Regulator in the event of major public sector pension changes by the ~~end~~ a material breach of the current Parliament (2015) which provides a major communication challenge.
- ~~The introduction of auto enrolment and the interaction with the LGPS, which will have both communication and procedural challenges for all employers.~~
- ~~Conversion of schools to academies which requires a considerable amount of employer liaison.~~

<sup>1</sup> Under section 70 of the Pensions Act 2004



~~\* Scheme employers outsourcing activity in a variety of ways which requires a considerable amount of employer liaison and also impacts the number of people available to be members of the LGPS.~~

~~\* Changes to scheme membership which will accelerate the maturity point of the LGPS (the point where annual expenditure exceeds annual income).~~

\* Increasing awareness of the value of the LGPS among the membership and the consequent demands for relevant information law.

## Key objectives

The administration of Northamptonshire Pension Fund and Cambridgeshire Pension Fund ~~and Northamptonshire Pension Fund~~ will be delivered in line with these objectives. We aim to:

- \* Provide a high quality, friendly and informative administration service to the Funds' stakeholders.
- \* Administer the Funds in a cost effective and efficient manner utilising technology.
- \* Ensure ~~the Funds~~ each 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 ~~Funds~~ Fund.
- \* Put in place standards for ~~the~~ each Fund and its employers and ensure these standards are monitored and developed as necessary.
- \* Ensure ~~the~~ each Fund and its stakeholders have the appropriate skills and receive training to ensure those skills are maintained in a changing environment.
- \* 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.

Measurements are in place to determine if these objectives are being met, which are published in the Administration Section of the Funds' Business Plans.

~~\*References to the Funds refer to the staff employed by the Administering Authority to carry out the administration of the Funds.~~

## Delivering the Objectives

### Method of Delivery

~~There are a number of options to administering the Funds, including In-house administration, and third party administration.~~

The Funds' administration will be carried out by LGSS, which, as an in-house shared service arrangement, benefits from the ~~efficiencies~~ efficiency of joint delivery whilst retaining control within the two administering authorities ~~in order to meet the individual Fund objectives outlined above, e.g. in relation to a quality service and accurate record keeping.~~ The Funds will be proactive in setting strategies to which the LGSS services should adhere to, including this Administration Strategy.

~~At the time of writing, LGSS provides administration services to the Cambridgeshire Pension Fund and the Northamptonshire Pension Fund, though it is envisaged further LGPS Funds will join LGSS in the future, which will benefit the Funds through increased efficiencies, particularly sharing of development costs between greater numbers of Funds. At that point LGSS will encourage those Funds to adopt this Administration Strategy so as to maximise the efficiency opportunities.~~

### Procedures for liaison and communication with employers and other stakeholders

The delivery of a high quality administration service is not the responsibility of just the administering authority, but depends on the joint working of the administering authority with a number of individuals in different organisations to ensure scheme members, and other interested parties, receive the level of service in line with the Funds' objectives as well as ensuring that statutory requirements are met.

~~Agreements will be made with the Funds' key stakeholders so that service standards are explicit. Key stakeholders are:~~

- ~~• Employers and their payroll and other providers~~
- ~~• AVC providers~~
- ~~• Fund Actuaries~~
- ~~• Approved Independent Registered Medical Practitioners~~

In particular, the administering authority relies on employers ~~in providing to provide~~ them with the appropriate information to maintain accurate records and pay accurate benefits. The Funds acknowledge that this is a partnership arrangement: by strongly targeted performance measures, as shown below:

- ~~• Each Fund is committed to providing a service in line with the objectives outlined above. This will include:~~
  - Providing a named contact (and deputy) at the Fund for all employer communications and queries
  - Providing clear instructions and forms/interfaces to allow seamless transfer of information by employers
  - ~~Aim to provide~~ Provide information ~~and services~~ within the performance standards outlined in this Strategy
  - ~~Ensure~~ all information provided is correct by having an appropriate quality review process in place
  - ~~Be helpful and courteous when dealing with all employers~~
- ~~•~~ • In return, the employers within each Fund are expected to:

- Provide a named contact (and deputy) at the employer for all Fund communications and queries. Where multiple contacts are provided (for different duties) name one person who is ultimately responsible for ensuring the employer carries out their roles and responsibilities.
- Provide information to the Fund as outlined in instructions using the Fund's approved forms and/or interfaces
- Aim to provide information within the performance standards outlined in this Strategy
- Ensure all information provided is correct by having appropriate quality review in place

~~○ Be helpful and courteous when dealing with the Fund~~

~~○ Provide feedback to the Fund on an ad-hoc basis, at performance review meetings or as part of consultations, e.g. around how services are delivered or about changes to the funding strategy.~~

Full details of the procedures for liaison and communication between the Funds and its stakeholders are included within the Funds' Communication Strategy ~~as included later in this document.~~

## Performance Standards

~~The LGPS prescribes that certain decisions be taken by either the administering authority or the scheme employer, in relation to the rights and entitlements of individual scheme members. In order to meet the Funds' administration objectives as outlined above, and also to comply with overriding disclosure requirements, the Funds must ensure that appropriate standards are in place and being measured. These standards fall into two distinct areas; quality and timeliness.~~

### *Quality*

The Funds will ensure that all functions/tasks are carried out to the agreed quality standards. ~~In this respect the standards order to be met are:~~

- ~~• Compliance comply with relevant regulations including both the Regulatory requirements and the Local Government Pension Scheme Regulations, Pensions Acts, etc~~
- ~~• Aiming Funds objectives, LGSS aims to achieve the Funds' agreed objectives and compliance with all Fund agreed strategies, policies and procedural guides~~
- ~~• Ensuring appropriate checking of work by an appropriately qualified member of staff, in particular calculations of benefits~~
- ~~• All payments information provided to be authorised by an agreed signatory and other designated duties to be carried out in line with internal Schemes of Delegation~~

### *Timeliness*

~~Overriding legislation dictates minimum timescales that pension schemes should meet in providing certain pieces of information to the various parties associated with the scheme. The scheme itself sets out a number of requirements for the administering authority or scheme employers to provide information to each other, scheme members and prospective scheme members, dependants, other pension arrangements or other regulatory bodies. Locally agreed high quality administration service and timeliness of performance standards have been agreed which cover all aspects of the administration of the scheme, where appropriate going beyond the overriding legislative~~

requirements. Standards for the Funds are set out in Appendix C. Headline standards for Employers are set out in Appendix B. More detailed standards and, where necessary, improvement plans, Strong review of its performance measures will be set out in a Service Level Agreement between LGSS and each employer. determine this.

## Procedures for ensuring compliance with statutory requirements and measuring levels of performance

Various means will be employed, as determined from time to time, to assist in monitoring compliance with this Administration Strategy. More detailed methods may be included in the individual employer SLA. a service level agreement (SLA) between an individual scheme employer and the respective administering authority (signed on behalf of the latter by LGSS Pensions).

Methods may include:

### Internal/External Audit

- The Funds will be subject to regular audits review of their processes and internal controls. Fund auditors may require employer auditors to carry out relevant checks e.g. of employee contribution collection.

### Performance monitoring

- The Funds will monitor their timeliness performance against specific against LGSS tasks as outlined noted in Appendix C. In addition, they may monitor employers against the employer requirements outlined in Appendix B and Service Level Agreements.
- The Funds will monitor Performance monitoring of the Employers against Appendix B and individual employer SLA's.
- Compare performance regularly by benchmarking with against other administering authorities Administering Authorities by using the CIPFA Pensions Benchmarking Club. club

The Funds may also put in place other measurements to determine how, or if, they are achieving the objectives of this Administration Strategy.

### The Fund's Employer liaison

Employer liaison function will take place as follows:

- ▲ Performance information will be shared annually with each Fund employer.
- ▲ offer the following services; The opportunity for a biennial review meeting between a representative of the administering authority and the scheme employer to monitor and review performance against targets, the quality of information exchange and ensure compliance with statutory obligations and review the SLA for the period until the next review meeting.
- ▲ Where an employer is not delivering in accordance with an SLA a performance improvement plan will be agreed with appropriate liaison arrangements. This may be initiated outside of the biennial reviews where necessary.
- ▲ The administering authority will run seminars Seminars and training sessions. including webinars, on the most pertinent issues affecting Fund members and employers

•• ~~An~~ Employer Pension ~~Forums~~Forum will be held, at least on an annual basis.

•• ~~The administering authority will ensure an employer liaison helpdesk~~A Employer Helpdesk is available from ~~9 am~~9am to ~~5 pm~~5pm during normal working days to answer one-off queries by telephone or Email. ~~The helpdesk may be available outside these hours.~~email.

### Improving Administration

Using the means mentioned above, the Funds will monitor progress against this Administration Strategy. This information ~~will from time to time be~~is reported to the respective Funds' Pension ~~Fund Board where~~Committees and Pension Boards alongside any ongoing remedial action ~~will be agreed.~~taken where the expected standards are not being met. In addition, key performance indicators relating to the Funds' and their employers' performance will be reported in their respective Annual Report and Accounts.

### Circumstances where the administering authority may levy costs associated with the employing authorities poor performance

Regulation ~~43~~70 of the Local Government Pension Scheme ~~(Administration)~~Regulations 20072013 provides that an administering authority may recover from an employing authority any additional costs associated with the administration of the scheme incurred as a result of the poor level of performance of that employing authority. Where an administering authority wishes to recover any such additional costs they must give written notice stating:-

- ~~the~~The reasons in their opinion that the scheme employer's poor performance contributed to the additional cost;
- ~~the~~The amount of the additional cost incurred;
- ~~the~~The basis on how the additional cost was calculated; and
- ~~the~~The provisions of the pension administration strategy relevant to the decision to give notice.
- In instances where the performance of the scheme employer results in fines being levied against the administering authority by the Pension Regulator, Pensions Ombudsman or other regulatory body, these costs will be recoverable immediately.

### Circumstances where costs might be recovered

It is ~~not~~ the policy of ~~either Cambridgeshire Pension Fund or Northamptonshire Pension~~the Fund to ~~move immediately to recovering~~recover additional costs incurred in the administration of the LGPS Scheme as a direct result of the poor unsatisfactory level of performance of the administering authority, any scheme employer or third party service provider. ~~Instead, the Funds will seek, at the earliest opportunity, to work closely with employers in identifying any areas of~~

poor performance, provide the necessary training and development and put in place an improvement plan to improve the level of service delivery into the future—.

Where persistent failure occurs and the improvement plan is not followed by a scheme employer ~~The circumstances where such~~ additional administration costs will be recovered. In particular, this will only be pursued where the Fund has carried out the following steps:

- ~~Written to from~~ the scheme employer, setting out area(s) of poor performance
- Met with the scheme employer, to discuss area(s) of poor performance and how these can be addressed and agreed an improvement plan but no or little improvement has been demonstrated
- The appropriate Pension Fund Board has agreed to reclaim administration costs following a report to them on the circumstances. Before making a decision the Pension Fund Board shall offer the employer the opportunity to make representations in person to the Board, or in writing if the employer so chooses, and to facilitate this will provide 21 days before the meeting a copy of the report to be considered by the Board

The circumstances where this might be necessary are:

- ~~persistent failure to provide relevant information to the administering authority~~ Fund, scheme member or other interested party in accordance with specified performance targets in this Administration Strategy (either as a result of timeliness of delivery or quality of information);
- failure to pass relevant information to the scheme member or potential members, either due to poor quality of information or not meeting the agreed timescales outlined in the performance targets; in this Administration Strategy
- failure to deduct and pay over correct employee and employer contributions to the Fund within the stated timescales;

Where the respective Pension Fund Board agrees costs should be reclaimed, the following sets out the steps we will take in dealing with poor Instances where the performance by ~~of the~~ scheme employer:

- ~~Issue formal written notice, where no improvement is demonstrated by~~ results in fines being levied against the Fund by the scheme employer/Pension Regulator, Pensions Ombudsman or other regulatory body.
- ~~Instances where an act or failure to take agreed action by the act by an employer~~ results in an unauthorised payment under the Finance Act 2004 which results in the Fund being subject to a tax liability.
- ~~Instances where an act or failure of a scheme employer, setting results in a~~ benefit being incorrectly awarded and the subsequent overpayment is not able to be recovered from the scheme member.

The approach by the Fund when such instances occur is as follows:

1. Write to the employer noting the Fund's areas of concern regarding the employer's performance and offer training or a meeting to address the issue.

Note that some performance standards are expressed as a percentage less than 100%. This recognises that for certain, often high volume, work there may be legitimate reasons why 100% compliance with a target is not possible. For

these categories the target is measured monthly in order to highlight areas of potential concern.

- 2a. If no improvement is made within one month of the above date, or where the matter in question is not a regular event and no improvement is made at the next occasion that that same matter occurs, and the offer of training or a meeting has not been accepted, the Fund will issue a formal written notice. The notice will set out the area(s) of poor performance concern that have been identified, the steps taken to resolve those area(s) and notice that the additional costs will now be reclaimed;

Clearly **OR**

2b. If no improvements is made from one month following either a training session or a meeting with the Employer, or where the matter in question is not a regular event and no improvement is made at the next occasion that that matter occurs following the training or meeting, the Fund will issue a formal written notice. The notice will set out the area(s) of concern that have been identified, the steps taken to resolve those area(s) and notice that the additional costs will now be reclaimed.

- 3. An invoice will then be issued to the scheme employer which sets out calculations of any loss resulting to the Fund or administering authority, or additional cost, taking account of time and resources in resolving the specific area(s) of poorunsatisfactory performance, including any fines levied against the administering authority by the Pension Regulator, Pensions Ombudsman or other regulatory body resulting from the employer's poor performance; and in accordance with the fee scale set out in this document.
- Make claim against the scheme employer, setting out reasons for doing so, in accordance with the Regulations.

### 3. Communications Strategy

This Communications Strategy is effective from 1 August 2011. It 4. All instances of additional costs recharges will be reviewed annuallypresented to ensure the strategic objectives remain relevant.

A separate Communication Plan is published and reviewed annually. This outlines how we intend to deliver this strategy, including how we achieve our objectives, the measurements we have in place to monitor our success and a timetable of events.

#### **Regulatory framework**

This Statement has been produced in accordance with Regulation 106B of the Local Government the Pension Scheme Regulations 1997Fund Committee and Regulation 67 of the Local Government Pension Scheme (Administration) Regulations 2008. The Regulations requires Administering Authorities to: Board.

- Prepare, maintain and publish a written Statement setting out their policy concerning communications with: o members

- representatives of members
- prospective members
- employing authorities

▲ Set out our policy on:

- the provision of information and publicity about the Scheme to members, representatives of members and employing authorities

the format, frequency and method of distributing Illustrative additional administration costs

Based on the Fund's experience of dealing with late or inaccurate information, we have been able to make accurate estimates of the amount of additional resource required in order to remedy the problems this causes. The costs below reflect the additional resource required to chase information and correct inaccurate data. They also reflect the fact that having to re-run calculations multiple times as a result of poor data presents an opportunity cost as staff would be otherwise more productively engaged.

- As such information or publicity

- the promotion of the Scheme to prospective members and their Employing Authorities.

- ▲ Keep the Statement under review and make such revisions as the fees shown below are appropriate following a material change in the policy on any of the matters mentioned below and illustrative and may be higher (or lower) if revisions are made, publish a revised statement.

### Key objectives

The communications of Cambridgeshire Pension Fund and Northamptonshire Pension Fund will be delivered in line with these objectives. We aim to:

- ▲ Promote the Scheme as a valuable benefit
- ▲ Deliver a clear and consistent message, that is simple, relevant, has impact, 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

### Stakeholders of the fund

There are several categories of stakeholder as detailed below:

- ▲ Active Scheme members
- ▲ Prospective Scheme members
- ▲ Deferred Scheme members
- ▲ Retired and Dependant Scheme members
- ▲ Scheme Employers
- ▲ Fund staff



- ▲ Pension Fund Committee
- ▲ External bodies
  - Trades Unions
  - Her Majesty's Revenue & Customs (HMRC)
  - Department for Communities and Local Government (DCLG)
  - National Fraud Initiative

### Confidentiality

The fund is registered under the Data Protection Act 1998 as part of Cambridgeshire County Council and Northamptonshire County Council. Information on members and organisations is treated with respect by all our staff.

### Disclosure

Each Fund may, if it chooses, pass certain details to a third party, if the third party is carrying out an administrative function of the Fund, for example, the Fund's AVC providers.

### Equality

Our communications are tailored to the individual needs of our stakeholders. We will make every effort to provide communications to our stakeholders in their preferred language or format on request. Circumstances are atypical.

### Freedom of information

This Communications Strategy identifies the classes of information that each Fund publishes or intends to publish in compliance with the Freedom of Information Act. Anyone has a right under the Freedom of Information Act to request any information held by the Fund which is not already made available. Requests should be made in writing to the Head of Pensions at the address at the end of this document. A fee may be charged and the Fund reserves the right to refuse a request if the cost of providing the information is disproportionately high; if following prompting the request is unclear; and when the requests are vexatious or repeated.

4.

Employer Scheme function		Illustrative charge
Administration process	Description	
<u>Monthly contribution pay over</u>	<u>Late payment of employee, employer and additional pension contributions (APC/ARC/Added years) to the Fund by the 19<sup>th</sup> of the month following deduction</u>	<u>£80 if no interest charge</u> <u>Additional £100 if interest charges need to be calculated</u>

	No schedule of payments sent and received by the Fund	Interest payable at prevailing rate if payment more than 30 days late  £80
<b><u>New active member</u></b>	Scheme employer has not notified the Fund within 10 working days of the relevant calendar month end	£50 per notification A further £30 for each month the notification is outstanding
<b><u>Leavers (non-retirement)</u></b>	Scheme employer has not notified the Fund of any leaver.  The late or non-provision of a leaver form.  Poor data detailed on the form, in particular inaccurate pay details.	£50 per notification A further £30 for each month the notification is outstanding
<b><u>Retirement</u></b>	Scheme employer has not notified LGSS that a member is due to retire within 10 working days before date of leaving.  Non-provision of retirement form, poor data detailed on the form – particularly inaccurate pay details.	£160 per notification A further £80 for each month the notification remains outstanding  These higher rates reflect the fact the retiree will be chasing LGSS Pensions for their pension
<b><u>Year End data</u></b>	Scheme employer has not provided year end data by the 30 <sup>th</sup> April and/or quality of data provided is poor and requires LGSS manual intervention and additional data cleansing.	£400 per data file A further £200 per month the data is outstanding
<b><u>Year End data queries</u></b>	Scheme employer has not responded to LGSS queries regarding submitted year end data within 10 working days of	£100 per omission A further £60 per month of non-response or unsatisfactory replies

	<u>this request or the response has been unsatisfactory and queries remain outstanding</u>	
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### Further information

If you would like more information about the Scheme please contact us at the address below.

Cambridgeshire Pension Fund	Northamptonshire Pension Fund
RES1103	PO Box 202
Cambridgeshire County Council	John Dryden House
Shire Hall	8-10 The Lakes
Cambridge	Northampton
CB3 0AP	NN4 7YD

01223 715445	01604 236527
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<a href="mailto:pensions@cambridgeshire.gov.uk">pensions@cambridgeshire.gov.uk</a>	<a href="mailto:pensions@northamptonshire.gov.uk">pensions@northamptonshire.gov.uk</a>
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<a href="http://pensions.cambridgeshire.gov.uk">http://pensions.cambridgeshire.gov.uk</a>	<a href="http://pensions.northamptonshire.gov.uk">http://pensions.northamptonshire.gov.uk</a>
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### 3. Appendix A – Whole Fund Administration Performance Standards

The following are key indicators where the target can only be achieved by the Administering Authority and Employing Authorities both delivering high levels of administration.

Function / Task	Indicator	March 2013 Target	Target Achievement
Notify leavers of deferred benefit entitlements	Deferred award letter sent within 40 working days of last day of employment.	90%	
Payment of retirement benefits from active employment.	Payment of lump sum within 5 working days of payable date or date of receiving all necessary information if later. First pension paid in the month of leaving or in month of receiving all necessary information if later.	95%	

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### Appendix B –Employer Performance Standards

The following are the performance targets that the Employer will be expected to meet.

Function/Task	Indicator	Target
Confirm nominated representatives	Representative confirmed within 30 working days of employer joining fund or change to nominated representative	100%

Function/Task	Indicator	Target
Arrange for the correct deduction of employee and employer contributions and pay <del>contributions to Pension Fund</del> <u>OVER</u> in a timely manner, <del>providing an associated</del> <u>for both</u> monthly statement/schedule in a format acceptable to the Administering Authority and annual returns.	Number of months in the year where contributions were in the Pension Fund by the 19 <sup>th</sup> calendar day of month after deduction and statement/schedule was <del>received by the same date as</del> payment	100%
<u>Upon receipt of a notification from an Additional Voluntary Contribution (AVC) provider of an employee's election to pay, vary the amount or cease AVCs (or Shared Cost AVCs where applicable), to apply the notification accordingly and where applicable deduct from a member's pay the contributions as instructed by the AVC provider.</u>	<u>Within 1 month of receipt of notification from the AVC provider</u>	<u>100%</u>
<u>Pay over to the specified AVC provider contributions deducted from a member's pay.</u>	<u>Within 7 days of deduction from pay</u>	<u>100%</u>
<u>Upon receipt of a notification from LGSS Pensions of an employee's election to pay Additional Regular Contributions, to apply the notification accordingly and where applicable deduct from a member's pay and pay over to LGSS Pensions, the contributions as instructed by LGSS Pensions.</u>	<u>Within 1 month of notification from LGSS Pensions</u>	<u>100%</u>
<u>Respond to enquiries from LGSS Pensions in respect of retirements, estimates or any other query identified as urgent.</u>	<u>Response received within 5 working days from receipt of enquiry.</u>	<u>100%</u>
<u>Respond to enquires from the LGSS Pensions in respect of those queries deemed as non urgent</u>	<u>Response received within 10 working days from receipt of enquiry.</u>	<u>95%</u>

Function/Task	Indicator	Target
<u>Provide new employees with scheme information</u>	<u>Within the automatic enrolment joining window.</u>	<u>100%</u>
<u>Determine appropriate rate of employee contributions for new scheme members in the LGPS</u>	<u>Decisions made by time of first salary payment.</u>	<u>100%</u>
<u>Provide LGSS Pensions with all necessary information regarding new starters and hours/weeks per year variations.</u>	<u>Within 10 working days of the relevant calendar month end</u>	<u>95%</u>
<u>Determine reason for leaving and Final pay, issue entitlement award to member and leavers certificate to LGSS Pensions for leavers NOT entitled to immediate payment of pension.</u>	<u>Certificate received within 15 working days of date of leaving</u>	<u>95%</u>
<u>Determine reason for leaving and Final pay, issue entitlement award and retirement pack to member and leavers certificate to LGSS Pensions for retirees entitled to immediate payment of pension.</u>	<u>Certificate received at least 10 working days before date of leaving.</u>	<u>95%</u>
<u>Provide LGSS Pensions with accurate year end information in prescribed format</u>	<u>Information to be provided for all members by 30 April following contribution year end</u>	<u>100%</u>
<u>Must have published Employer Discretions, accessible by all employees and copy provided to LGSS Pensions.</u>	<u>Discretions published and provided to LGSS Pensions within 30 days of approval</u>	<u>100%</u>
<u>Discretions must be reviewed and amended as necessary</u>	<u>Any amendments to discretion must be confirmed in writing within 30 days from change</u>	<u>100%</u>

Function/Task	Indicator	Target
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Upon receipt of a notification from an Additional Voluntary Contribution (AVC) provider of an employee's election to pay, vary the amount or cease AVCs (or Shared Cost AVCs where applicable), to apply the notification accordingly and where applicable deduct from a member's pay the contributions as instructed by the AVC provider.	Within 1 month of receipt of notification from the AVC provider	100%
Pay over to the specified AVC provider contributions deducted from a member's pay.	Within 7 days of deduction from pay	100%
Upon receipt of a notification from the LGSS Pensions Service of an employee's election to pay Additional Regular Contributions, to apply the notification accordingly and where applicable deduct from a member's pay and pay over to the LGSS Pensions Service, the contributions as instructed by LGSS Pensions Service.	Within 1 month of notification from LGSS Pensions Service	100%
Provide LGSS Pension Service with accurate year end information in prescribed format	Accurate year end information to be provided for all Scheme members by 30 April following contribution year end	100%
Respond to enquiries from LGSS Pensions Service in respect of retirements, estimates or any other query identified as urgent.	Response received within 5 working days from receipt of enquiry.	100%
Respond to enquires from the LGSS Pensions Service in respect of those queries deemed as non urgent	Response received within 10 working days from receipt of enquiry.	95%
Provide new employees with scheme information	Within the automatic enrolment joining window.	100%

Function/Task	Indicator	Target
Determine appropriate rate of employee contributions for new scheme members in the LGPS	Decisions made by time of first salary payment.	100%
Provide LGSS Pensions Service with all necessary information regarding new starters and hours/weeks per year variations in a format acceptable to Administering Authority	Accurate information provided within 10 working days of the relevant calendar month end or within 30 days of commencement/change if earlier where employer automatic enrolment duties apply	95%
Determine reason for leaving and Final pay, issue entitlement award to member and leavers certificate to LGSS Pensions Services for leavers NOT entitled to immediate payment of pension.	Certificate received within 15 working days of date of leaving	95%
Determine reason for leaving and Final pay, issue entitlement award and retirement pack to member and leavers certificate to LGSS Pensions Service for retirees entitled to immediate payment of pension.	Certificate received at least 10 working days <u>before</u> date of leaving.	95%
Must have published Employer Discretions, accessible by all employees and copy provided to LGSS Pensions Service.	Discretions published and provided to LGSS Pensions Service within 30 days of approval	100%
Discretions must be reviewed and amended as necessary	Any amendments to discretion must be confirmed in writing within 30 days from change	100%

## Appendix C – LGSS Pensions ~~Service~~ Performance Standards

The following are the headline performance targets that LGSS Pensions Service will be expected to meet.

Function / Task	Indicator	March 2013 Target	Target Achievement
<b>LIAISON AND COMMUNICATION</b>			
Confirm nominated employer liaison officer	10 working days of employer joining fund or change to nominated officer	100%	
Publish and keep under review the administration strategy.	Within three months of decision to develop an administration strategy OR One month of any changes being agreed with scheme employers	100%	
Keep up to date the employer website, including procedural guides, scheme guide and all other documents and forms	20 working days from date of change/amendment	100%	
Formulate and publish policies in relation to all areas where the Administering Authority may exercise a discretion within the scheme	Within 30 working days of policy being agreed by the <del>Pension Fund</del> <u>Board-Pensions Committee</u>	100%	
Organise bespoke training sessions for Scheme employers, subject to fair use of training resource	Training date agreed with employer within one month of request	100%	
Notify the employer and scheme members of changes to the scheme rules	Within one month of <del>the</del> LGSS Pensions <del>Services</del> being informed of the change	95%	
Notify the employer of any issues relating to it's poor performance (including arranging meeting if required)	Within 20 working days of performance issue becoming apparent	90%	

Function / Task	Indicator	March 2013 Target	Target Achievement
Notify the employer of decisions to recover additional costs associated with their poor performance (including any interest that may be due)	Within 10 working days of the decision of the <u>Pension Fund Board Pensions Committee</u>	100%	
<u>Issue annual benefit statements to active members as at 31 March each year</u>	<u>By the following 30 September(pending timely receipt of satisfactory year end data from the scheme employer)</u>	<u>100%</u>	
<u>Issue annual benefit statements to deferred benefit members as at 31 March each year for those which we have an up to date address</u>	<u>By the following 30 June</u>	<u>100%</u>	
<b>FUND ADMINISTRATION</b>			
<u>Issue formal valuation results (including individual employer details)</u>	<u>20 working days from receipt of results from Fund Actuary (but in any event no later than 31 March following the valuation date)</u>	<u>100%</u>	
<u>Carry out cessation valuation exercise on cessation of admission agreements or employer ceasing participation in the Pension Fund</u>	<u>Initiated within 40 days with Fund Actuary plus results issued to employer within 2 months of clean data</u>	<u>100%</u>	
<u>Publish, and keep under review, the Administering Authority's governance policy statement</u>	<u>Within 30 working days of policy being agreed by the Pensions Committee</u>	<u>100%</u>	
<u>Publish and keep under review the Pension Fund's funding strategy statement</u>	<u>To be reviewed at each triennial valuation, following consultation with scheme employers and the Fund's Actuary. Revised statement to be issued with the final valuation report</u>	<u>100%</u>	
<u>Publish the Pension Fund annual report and any report from the auditor</u>	<u>By 31 August following the year end</u>	<u>100%</u>	

Function / Task	Indicator	March 2013 Target	Target Achievement
<u>Provide an FRS17/IAS19 report to employers for their chosen accounting date</u>	<u>Within one month of the accounting date providing employer has agreed to costs and returned required data to LGSS Pensions by 1<sup>st</sup> of the month in which the accounting date falls</u>	<u>100%</u>	
<b>SCHEME ADMINISTRATION</b>			
<u>Provide transfer-in quote to scheme member</u>	<u>Letter issued within 10 working days of receipt of all appropriate information</u>	<u>95%</u>	
<u>Confirm transfer-in payment and service credited to scheme member</u>	<u>Letter issued within 10 working days of receipt of transfer payment by Pension Fund (or receipt of all information needed to complete calculations if later)</u>	<u>90%</u>	
<u>Notify the employer of scheme member's election to pay or cease paying additional regular contributions and other contracts, including all required information to enable deductions to commence or finish.</u>	<u>Email sent within 5 working days of receipt of election from scheme member</u>	<u>95%</u>	
<u>Calculate cost of additional regular contributions, and notify scheme member</u>	<u>Letter sent within 10 working days of receipt of request from scheme member</u>	<u>90%</u>	
<u>Provide requested estimates of benefits to employers including any additional fund costs in relation to early payment of benefits from ill health, flexible retirement, redundancy or business efficiency</u>	<u>Estimate in agreed format provided within 10 working days from receipt of all information</u>	<u>90%</u>	
<u>Provide a maximum of one estimate of benefits to employees per year on request.</u>	<u>Estimate in agreed format provided within 10 working days from receipt of all information</u>	<u>90%</u>	

Function / Task	Indicator	March 2013 Target	Target Achievement
<u>Provide a maximum of one cash equivalent transfer value (CETV) to employees per year on request</u>	<u>Provided within 10 working days from receipt of all information</u>	<u>90%</u>	
<u>Provide a divorce quotation to employees on request</u>	<u>Provided within 10 working days from receipt of all information</u>	<u>90%</u>	
<u>Notify leavers of deferred benefit entitlements or concurrent amalgamation.</u>	<u>Notification issued within 15 working days of receiving all necessary information.</u>	<u>90%</u>	
<u>Notify employees retiring from active membership of benefits award.</u>	<u>Issue award within 5 working days after payable date or date of receiving all necessary information if later.</u>	<u>95%</u>	
<u>Payment of ongoing pension (not including the first pension payment).</u>	<u>Eligible payments made on the publicised payment date.</u>	<u>100%</u>	
<u>Acknowledge death of active/deferred/pensioner member.</u>	<u>Letter issued within 5 working days following notification of death</u>	<u>100%</u>	
<u>Award dependent benefits.</u>	<u>Issue award within 5 working days of receiving all necessary information.</u>	<u>95%</u>	
<u>Provide responses to other enquiries from scheme members, scheme employers, personal representatives, dependents and other authorised persons</u>	<u>Full response within 5 working days from receipt of all information needed to respond to enquiry</u>	<u>90%</u>	
<u>Where a full response will not be available within the published service standards send an acknowledgement and provide the expected timescale.</u>	<u>Acknowledgement within 5 working days from receipt of initial enquiry</u>	<u>100%</u>	
<u>Appoint stage 2 "appointed person" for the purposes of the pension dispute process and notify all scheme employers of the appointment</u>	<u>Within 30 working days following the resignation of the current "appointed person"</u>	<u>100%</u>	

Function / Task	Indicator	March 2013 Target	Target Achievement
<u>Process all stage 2 pension dispute applications</u>	<u>Within two months of receipt of the application, or such longer time as is required to process the application where further information or clarification is required.</u>	<u>100%</u>	
<u>Publish and keep under review the Pension Fund policy on the abatement of pension on re-employment</u>	<u>Notify scheme members and scheme employers within one month of any changes or revisions to the policy</u>	<u>100%</u>	

Function-/Task	Indicator	March 2013 Target	Target Achievement
Issue annual benefit statements to active members as at 31 March each year	By the following 30 September(pending timely receipt of satisfactory year end data from the scheme employer)	100%	
Issue annual benefit statements to deferred benefit members as at 31 March each year for those which we have an up to date address	By the following 30 June	100%	
<b>FUND ADMINISTRATION</b>			
Issue formal valuation results (including individual employer details)	20 working days from receipt of results from Fund Actuary (but in any event no later than 31 March following the valuation date)	100%	
Carry out cessation valuation exercise on cessation of admission agreements or employer ceasing participation in the Cambridgeshire Pension Fund or Northamptonshire Pension Fund	Initiated within 40 days with Fund Actuary plus results issued to employer within 2 months of clean data	100%	

Publish, and keep under review, the Administering Authority's governance policy statement	Within 30 working days of policy being agreed by the relevant Pension Fund Board	100%	
Publish and keep under review the Pension Fund's funding strategy statement	To be reviewed at each triennial valuation, following consultation with scheme employers and the Fund's Actuary. Revised statement to be issued with the final valuation report	100%	
Publish the Pension Fund annual report and any report from the auditor	By 31 August following the year end	100%	

Function / Task	Indicator	March 2013 Target	Target Achievement
Provide an FR517/IAS19 report to employers for their chosen accounting date	Within one month of the 31 March, 31 July or 31 August accounting date, providing employer has returned required data to LGSS Pensions Service by the 1 <sup>st</sup> of the month in which the accounting date falls	100%	
<b>SCHEME ADMINISTRATION</b>			
Provide transfer in quote to scheme member	Letter issued within 10 working days of receipt of all appropriate information	95%	
Confirm transfer in payment and service credited to scheme member	Letter issued within 10 working days of receipt of transfer payment by Pension Fund (or receipt of all information needed to complete calculations if later)	90%	



Notify the employer of scheme member's election to pay or cease paying additional regular contributions and other contracts, including all required information to enable deductions to commence or finish.	Email sent within 5 working days of receipt of election from scheme member	95%	
Calculate cost of additional regular contributions, and notify scheme member	Letter sent within 10 working days of receipt of request from scheme member	90%	
Provide requested estimates of benefits to employers including any additional fund costs in relation to early payment of benefits from ill health, flexible retirement, redundancy or business efficiency	Estimate in agreed format provided within 10 working days from receipt of all information	90%	

Function / Task	Indicator	March 2013 Target	Target Achievement
Provide a maximum of one estimate of benefits to employees per year on request.	Estimate in agreed format provided within 10 working days from receipt of all information	90%	
Provide a maximum of one cash equivalent transfer value (CETV) to employees per year on request	Provided within 10 working days from receipt of all information	90%	
Provide a divorce quotation to employees on request	Provided within 10 working days from receipt of all information	90%	
Notify leavers of deferred benefit entitlements or concurrent amalgamation.	Notification issued within 15 working days of receiving all necessary information.	90%	
Notify employees retiring from active membership of benefits award.	Issue award within 5 working days after payable date or date of receiving all necessary information if later.	95%	
Payment of ongoing pension (not including the first pension payment).	Eligible payments made on the publicised payment date.	100%	

Acknowledge death of active/deferred/pensioner member.	Letter issued within 5 working days following notification of death	100%	
Award dependent benefits.	Issue award within 5 working days of receiving all necessary information.	95%	
Provide responses to other enquiries from scheme members, scheme employers, personal representatives, dependents and other authorised persons	Full response within 5 working days from receipt of all information needed to respond to enquiry	90%	
Where a full response will not be available within the published service standards send an acknowledgement and provide the expected timescale.	Acknowledgement within 5 working days from receipt of initial enquiry	100%	
<b>Function / Task</b>	<b>Indicator</b>	<b>March 2013 Target</b>	<b>Target Achievement</b>
Appoint stage 2 "appointed person" for the purposes of the pension dispute process and notify all scheme employers of the appointment	Within 30 working days following the resignation of the current "appointed person"	100%	
Process all stage 2 pension dispute applications	Within two months of receipt of the application, or such longer time as is required to process the application where further information or clarification is required.	100%	
Publish and keep under review the Pension Fund policy on the abatement of pension on reemployment	Notify scheme members and scheme employers within one month of any changes or revisions to the policy	100%	