

PENSION FUND COMMITTEE



Date: Thursday, 24 May 2018

Democratic and Members' Services

Quentin Baker

LGSS Director: Lawand Governance

10:00hr

Shire Hall

Castle Hill

Cambridge

CB3 0AP

Room 128

Shire Hall, Castle Hill, Cambridge, CB3 0AP

AGENDA

Open to Public and Press

- 1. Election of Chairman and Vice-Chairman**
- 2. Apologies for absence and declarations of interest**
Guidance on declaring interests is available at
<http://tinyurl.com/ccc-conduct-code>
- 3. Appointment of Investment Sub-Committee**
- 4. Minutes of the Pension Fund Committee 29th March 2018** **5 - 12**
- 5. LGSS Pension Administration Performance Report** **13 - 20**
- 6. Governance and Compliance Report** **21 - 46**
- 7. Cambridgeshire Pension Fund 2018-19 Communications Plan** **47 - 54**
- 8. Review of the effectiveness of the Pension Committee** **55 - 68**

9. **Revised Overpayment of Pension Policy** 69 - 102
10. **Employer Admissions & Cessations report** 103 - 108
11. **Exclusion of Press and Public**

To resolve that the press and public be excluded from the meeting on the grounds that the agenda contains exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information relating to the financial or business affairs of any particular person (including the authority holding that information)

12. **ACCESS Asset Pooling Update**

- Information relating to the financial or business affairs of any particular person (including the authority holding that information);

Date of Next Meeting

26th July 2018 (10am)

The Pension Fund Committee comprises the following members:

Mr Gareth Deeble Councillor Andrew Fraser Mr Matthew Pink Councillor David Seaton and Mr John Walker Councillor Peter Downes Councillor Anne Hay Councillor Roger Hickford Councillor Terence Rogers Councillor Josh Schumann and Councillor Mike Shellens

For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact

Clerk Name: Dawn Cave

Clerk Telephone: 01223 699178

Clerk Email: dawn.cave@cambridgeshire.gov.uk

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MINUTES OF THE PENSION FUND COMMITTEE

Date: Thursday 29th March 2018

Time: 11:00-12.50

Place: Kreis Viersen Room, Shire Hall, Cambridge

Committee Members

present: County Councillors P Downes, A Hay, R Hickford (Vice-Chairman), T Rogers (Chairman), J Schumann and M Shellens; District Councillor Andrew Fraser; T Roden and J Walker

Officers: C Blose, D Cave, S Heywood, M Oakensen, P Tysoe, J Walton and M Whitby

Apologies: Councillor D Seaton

54. DECLARATIONS OF INTEREST

John Walker declared a personal interest (i) as a retired member of the Local Government Pension Scheme (LGPS), (ii) his daughter-in-law was a current member of the LGPS and (iii) his son was a deferred Member of the LGPS.

Tracy Roden declared a personal interest as both an active and deferred member of the Local Government Pension Scheme (LGPS).

55. MINUTES AND ACTION LOG OF THE PENSION FUND COMMITTEE MEETING HELD ON 7th DECEMBER 2017

The minutes of the Pension Fund Committee meeting held on 7th December 2017 were approved as a correct record and were signed by the Chairman.

It was noted that the new Member website had not been launched in January 2018, but Cory would be giving a demonstration of the website later in the meeting.

John Walker advised that Matthew Pink had sent apologies through him for the December meeting.

The following items were noted under the Action Log:

Item no. 45: Late paying employer – it was noted that the situation with this employer now appeared to be resolved, and Cory outlined the actions that had taken place since the last meeting, including the involvement of the Pensions Regulator.

Item no. 46 – Business Plan Update – The position with the other major late paying employer, discussed in the confidential session at the last meeting, had also been satisfactorily resolved, and this action should be marked up as Completed.

The Committee noted the Action Log.

With the agreement of the Committee, it was agreed to take items 4 and 8 (Pension Fund Annual Business Plan Update report 2017-18 and Pension Fund Annual Business Plan and Medium Term Strategy 2018-19 to 2020-21 respectively) later in the agenda, in confidential session, as both reports had confidential appendices.

56. INTERNAL AUDIT REPORT 2017-18

Members considered a report from the Audit and Risk Manager on the findings of Internal Audit work during 2017-18. During this period, Internal Audit work had focused on the annual audit of the administration of the Cambridgeshire Pension Fund. Members were pleased to note that the audit assessed the adequacy of design and implementation of controls for the administration of the Pension Fund, and gave substantial assurance for both the control environment in place, and for compliance.

Members noted the detailed findings against the following Control Objectives:

- New members are set up accurately (including transfer in) and on a timely basis;
- The correct contributions are received from employer organisations on a timely basis;
- Appropriate action is taken upon notification that a members has left the scheme, including transfers out;
- Pension payments are made in accordance with LGPS regulations, and in line with relevant administering authority and employing authority discretions;
- Pension payments are paid at the correct amount with the correct rate of annual increase;
- Reconciliations are completed for key financial areas.

A Member queried why the 2016/17 year-end reconciliation for Employer and Employee Contributions Reconciliations had not been completed. Officers advised that whilst the majority of the work had been completed there had been a couple of employer issues outstanding at the time of the audit. The target date of 31/08/18 given in the Management Action Plan was for both the 2016/17 and 2017/18 reconciliations.

It was resolved unanimously to note the findings of the Internal Audit work during 2017-18.

57. EMPLOYER ADMISSIONS AND CESSATIONS REPORT

The Committee received a report on the admission of threeadmission bodies and two Academy Trusts to the Cambridgeshire Pension Fund.

Noting that the late payments policy was listed as the mitigation against the risk of employers not paying pension contributions, a Member asked if this was effective. Officers pointed out that it had worked well against the two employers discussed earlier the meeting.

It was resolved unanimously to:

1. Note the admission of the following admission bodies to the Cambridgeshire Pension Fund:
 - VHS Cleaning Services Ltd
 - Easy Clean Contractors Ltd (Hemingford Grey)
 - ABM Catering Ltd (Abbots Ripton Primary School)

2. Note the admission of the following Multi Academy Trusts to the Cambridgeshire Pension Fund:
 - Soke Education Trust
 - Aces Multi Academy Trust

58. GOVERNANCE AND LEGISLATION REPORT

Members received a report on governance issues concerning the Local Government Pension Scheme (LGPS) on a national and local basis, and also details of forthcoming training events.

With regard to the High Court judgement in the case of Elmes vs Essex, officers were awaiting sight of the transcript of the judgement, so that they could better understand the rationale behind the decision. It was expected that MHCLG (Ministry of Housing, Communities and Local Government) would then provide advice, although this was unlikely to address the issue of children's pensions in such cases. It was confirmed that there were no children involved in the similar case in Cambridgeshire. It was agreed that the implications for Cambridgeshire, especially in terms of scale and money, should be reported upon at a future meeting.

A Member advised that he had attended both Parts 1 and 2 of the Schroders Trustee training, and felt that these were aimed more at private/closed pensions schemes, with some of the content not relevant for LGPS members. Officers agreed to take this up with Schroders, and if it was concluded that the course content was not suitable, a viable alternative would be found.

In response to a Member question, it was confirmed that GDPR (General Data Protection Regulations) were having a massive impact on the work of the Pensions team. In terms of governance, this was mainly being overseen by the Local Pension Board. Guidance was awaited from the respective County Councils, as they will be the Data Controllers, but a lot of work had already been done by the team. Scheme members do not have to give their consent, as the team was performing a statutory function. Wider processes were also being reviewed and Committee Members were given assurances that all matters were being carefully dealt with.

It was resolved unanimously to note the report.

59. PAYMENT OF EMPLOYEE AND EMPLOYER PENSION CONTRIBUTION POLICY REVIEW

The Committee considered a report on the updated Payment of Employee and Employer Pension Contribution Policy. The policy had originally been approved by the Committee in December 2015. Following its introduction a further review in the intervening period was undertaken and presented to the Committee. However, due to outstanding issues with late payments it was agreed that before the amended policy was adopted, these issues should be resolved first.

The action for late payments set out in the policy was that all late payments would be reported to both the Pension Fund Committee and Local Pension Board quarterly. There was also a set of suggested actions if a satisfactory resolution had not been reached, including imposing a statutory debt, involving the authority's Section 151 Officer, or involving the Schools Commissioners Group. The action taken would depend on individual circumstances, and be commensurate with the scale of the debt. It was also confirmed that 'late payment' became a 'non-payment' after three months. With regard to what actions would be taken by Section 151 officers, it was confirmed that this would be for pensioners officers in the circumstances to advise the Section 151 Officer accordingly.

A Member highlighted the issue of a number of Academies failing, and the issue of "orphan academies" dropped by their parent Trust.

It was noted that the Fund could charge late paying employers for administration costs, and this had been done in the two recent cases that had been brought to the Committee's attention.

It was resolved unanimously to:

- 1) Approve the amendments made to the policy;
- 2) Confirm that future immaterial amendments to the policy can be approved through delegated authority to the Head of Pensions;
- 3) Confirm that material amendments to the policy can be made via the Chairman of the Pension Fund Committee on behalf of the Committee.

60. INVESTMENT STRATEGY STATEMENT

The Committee considered changes to the Investment Strategy Statement, which sets out a high level, dynamic asset allocation structure, supporting the long term focus of investment and mitigating the risk of reacting to short term market behaviours.

Members were reminded that the Strategy had originally been approved at the March 2017 Committee meeting. Since then, aspects of the Strategy had been discussed in detail at the Investment Information Days. At the Investment Sub-Committee that morning, Sub-Committee Members had started on the asset allocation review process.

In response to a Member question, it was confirmed that part of the passive allocation had moved from UK to Global equities. This had been discussed in detail at the Investment Information Days, which all Pension Fund Committee and Local Pension Board Members were invited to attend, in addition to approval by the Investment sub Committee. Furthermore, the ISC had noted that 'Global' included a 9% exposure to the UK market, in addition to the UK allocation. Any further changes from the Sub-Committee's Asset Allocation review would be reported back in due course, and this should be complete no later than March 2019. It was confirmed that any changes to asset allocation– including, if appropriate, areas where there were *no* changes – would be reported back to the Pension Fund Committee.

It was resolved unanimously to:

1. note the contents of the report;

2. approve the revised Investment Strategy Statement for publication on the Fund's website.

61. LGSS PENSIONS SERVICE WEBSITE DEMONSTRATION

Members viewed a demonstration of the new website. It was confirmed that this was not online yet. It had partly been updated to ensure that it was easy to use from mobile platforms, as around 90% of online users now access the website through mobile devices.

The site was split into two sections, one for Scheme Members, and one for Employers. It was structured in a much more visual way. Information about team members was included, and topical information could be added in. Information was also included about the Pension Fund Committee, including meeting documents.

The Scheme Members' hub pages looked different to the Employers' pages. The Members' site was hosted by Heywoods, but users do not have to knowingly navigate to a different website for the self-service elements. Despite some functionality issues that needed to be ironed out, Heywoods were impressed with the website, and were promoting it as an exemplar for the self-service platform. The website would be publicised through the newsletter, and it was suggested that it could also be publicised through the County Council's Communications team. **Action required.**

The site could be viewed at the following link: <http://35.177.137.218/>

It was resolved to note the presentation

62. EXCLUSION OF PRESS AND PUBLIC

It was resolved:

That under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they contain exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended (information which is likely to reveal information relating to the financial or business affairs of any particular person) and that it would not be in the public interest for this information to be disclosed.

63. PENSION FUND ANNUAL BUSINESS PLAN UPDATE REPORT

The Committee considered the fourth Pension Fund Business Plan Update for the 2017-18 financial year.

It was resolved unanimously to note the Pension Fund Business Plan Update for the period November to January of the 2017-18 financial year.

64. PENSION FUND ANNUAL BUSINESS PLAN AND MEDIUM-TERM STRATEGY 2018-19 TO 2020-21

The Committee considered a report on the Fund's objectives for 2018-19, which included a plan of action on how key priorities would be achieved.

It was resolved unanimously to approve the Business Plan and Medium-Term Strategy.

(Councillors Schumann and Hay, and Tracy Roden left the meeting)

65. ACCESS POOLING UPDATE

Members received a verbal update on the ACCESS pool.

It was resolved unanimously to note the update.

Chairman

**CAMBRIDGESHIRE
PENSION FUND**

Pension Fund Committee

Agenda Item: 4(b)

Action log from previous meeting

This log captures the actions from the Pension Fund Committee of the 29 March 2018 together with any carried forward items from previous meetings and updates members on the progress on compliance in delivering the necessary actions. This is the updated action log as at 10 May 2018.

Outstanding actions from 7 December 2017 meeting of the Pensions Committee

Item No.	Item	Action to be taken by	Issue	Action/Status
45	Minutes and Action Log of the 19 October 2017 meeting.	Cory Blose/ Tracy Roden	Officers updated the Committee on their discussions with a late-paying employer, a Multi Academy Trust, which should now be resolved. Legal advice had been sought from Eversheds-Sutherland LLP, and a limited range of options had been suggested, which would be discussed with the scheme actuary. Whilst it was not possible to exclude a persistent late-paying employer, they could be charged more. Tracy Roden offered to open up dialogue with that particular employer, given that she worked in the same sector, to see if she could assist further, and it was agreed that Tracy would liaise with officers outside of the meeting.	Ongoing – Legal advice was sought and the Payment of Pension Contributions Policy was strengthened to allow for additional action to be taken if required in the future. The employer has paid contributions within the legal time limit for the Pensions Regulator for February and March and work continues to ensure the Fund receives contributions into the account by the 19 th of the month following deduction.

Outstanding actions from 29 March 2018 meeting of the Pensions Committee

Item	Item	Action to	Issue	Action/Status
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No.		be taken by		
61.	LGSS Pensions Service Website Demonstration	Cory Blose	It was suggested that the website could be publicised through the County Council's Communication Team.	Completed – The LGSS Communications Team have promoted on managed social media (Twitter & Facebook accounts) and have published an article on Camweb.
63.	Pension Fund Annual Business Plan Update Report	Michelle Oakensen	On the issue of overpayments resulting from a scheme member dying, a Member advised that it was often unclear to the next of kin what to do or who to contact. He stressed the importance of ensuring that this information was well-publicised, and not just on the website. It was pointed out that this information was already in the Pension Newsletter, but that a recommendation be made to Members to keep a copy of this information with their will.	Completed –Request sent to the Employer Services and Systems Manager to pick up at the appropriate time.

**CAMBRIDGESHIRE
PENSION FUND**



Pension Fund Committee

Date: 24 May 2018

Report by: Head of Pensions

Subject:	LGSS Pensions Administration Performance Report
Purpose of the Report	To present the Administration Performance Report to the Pension Fund Committee
Recommendations	The Pension Fund Committee are asked to note the Administration Performance Report
Enquiries to:	Michelle Oakensen – LGSS Pensions Governance Officer moakensen@northamptonshire.gov.uk

1. Background

1.1 One of the core functions of the Pension Fund Committee is to ensure the effective and efficient governance and administration of the scheme. This report demonstrates a number of key areas of administration performance for consideration by the Pension Fund Committee.

2. Administration Reporting

2.1 Receipt of Employee and Employer Contributions

2.1.1 The following table shows the percentage of employers in the Cambridgeshire Pension Fund who paid their employee and employer contributions and/or submitted their schedules on time or late (after the 19th of the month following deduction) for the period 1 March 2017 to 28 February 2018.

Month/Year	% of Employers Paid on Time	% of Employers Paid Late	% of Employers that Submitted Schedule on Time	% of Employers that Submitted Schedule Late
March 2017	98.0	2.0	94.4	5.6
April 2017	96.4	3.6	97.8	2.2
May 2017	97.7	2.3	91.7	8.3

Month/Year	% of Employers Paid on Time	% of Employers Paid Late	% of Employers that Submitted Schedule on Time	% of Employers that Submitted Schedule Late
June 2017	98.0	2.0	96.0	4.0
July 2017	95.3	4.7	94.3	5.7
August 2017	97.6	2.4	97.3	2.7
September 2017	98.0	2.0	97.7	2.3
October 2017	97.2	2.8	95.8	4.2
November 2017	98.8	1.2	98.4	1.6
December 2017	99.1	0.9	99.1	0.9
January 2018	98.6	1.4	98.6	1.4
February 2018	99.3	0.7	99.3	0.7
Average for period	97.8	2.2	96.7	3.3

2.1.2 An analysis of late payments for the quarter can be found in **Appendix 1** of the report (Confidential). Late payments to the Fund consist of any contribution payment that has not cleared in the Fund account by the 19th of the month following the month of deduction. However, due to overriding Pension Regulator rules on receipt of payment by BACS we need to allow a further 2 working days for these payments to clear before they can be regarded as late. As such we are only able to report to the Pensions Regulator after the 21st. The 0.7% of employers that paid late for February fell into this category.

2.1.3 Persistent late payments and submission of accompanying payment schedules are monitored closely and officers work in close liaison with scheme employers and third party payroll providers to resolve issues.

2.2 Overpayments of Pension

2.2.1 The table below shows all the overpayments of pension that have occurred in the Cambridgeshire Pension Fund, split by categories of explanation, during the period 1 February 2018 to 31 March 2018.

Overpayment Type	Action	Amount	Total
Death of a Pensioner/Dependant	Written off	£4,461.41 (41 cases)	£14,942.84 (50 cases)
	Recovery	£10,481.43 (9 cases)	
Retirement	Written off	£0	£0
	Recovery	£0	

2.2.2 During the period 1 February 2018 to 31 March 2018, 50 scheme members passed away and the date of notification to the Fund resulted in an overpayment of the late member's pension. Of the overpayments, 41 were automatically written off as the value of the overpayment was less than £250. The remaining 9 cases are currently being pursued for recovery of the overpayments.

2.2.3 Due to the migration of the Authority’s Enterprise Resource Planning (ERP) platform from Oracle to Agresso, information on any overpayments recovered in this period was not available and will be reported within the Annual Report and Statement of Accounts.

2.3 Key Performance Indicators – LGSS Pensions Service

2.3.1 The Pension Fund Committee has previously agreed a set of key performance indicators (KPIs) to assess the performance of LGSS Pensions.

2.3.2 The performance for LGSS Pensions against the 6 key performance indicators for February and March 2018 can be found in **appendix 2**.

2.4 Key Performance Indicators – Scheme Employer Performance

2.4.1 The following key performance indicators, as agreed by the Pension Committee, are based on the performance of the scheme’s employers for the period 1 January 2018 to 28 February 2018 are detailed in the table below.

KPI	Target	Jan	Feb
Arrange for the correct deduction of employee and employer contributions and to ensure payment reaches the Pension Fund by the 19 th of the month following the month of deduction. Providing an associated monthly statement/schedule in a format acceptable to the Administering Authority.	100%	98.6	99.3

2.4.2 Employer performance continues to be managed by officers and progress continues to be made. Close liaison with employers in regards to the timely submission of both payments and schedules in order for them to meet statutory compliance.

3. Relevant Pension Fund Objective

Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance. <i>Objective 1</i>
Manage the Fund in a fair and equitable manner, having regard to what is in the best interest of the Fund’s stakeholders, particularly the scheme members and employers. <i>Objective 2</i>
Ensure the relevant stakeholders responsible for managing, governing and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge to ensure those attributes are maintained in a changing environment. <i>Objective 3</i>
Continually monitor and measure clearly articulated objectives through business planning <i>Objective 4</i>

Continually monitor and manage risk, ensuring the relevant stakeholders are able to mitigate risk where appropriate. <i>Objective 5</i>
Put in place performance standards for the Fund and its employers and ensure these are monitored and developed as necessary. <i>Objective 8</i>
Administer the Fund in a professional and efficient manner, utilising technological solutions and collaboration. <i>Objective 10</i>

4. Finance & Resources Implications

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

5. Risk Implications

a) Risk(s) associated with the proposal

Risk	Mitigation	Residual Risk
There are no risks associated with managing the administration performance of the scheme.	Key areas of control to be reported to the Pension Committee and Pension Fund Board are highlighted in the Fund's Business Plan.	Green

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

Risk	Risk Rating
If the Fund does not monitor and report administration standards the Fund will not demonstrate that it has appropriate control over the management of its core functions.	Amber

6. Communication Implications

Direct Communications	The Fund publishes its performance against the key performance indicators in the regular reports to the Pension Committee and Pension Fund Board and in the Fund's Annual Report.
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7. Legal Implications

7.1 Not applicable

8. Consultation with Key Advisers

8.1 Consultation with the Fund's advisers was not required for this report.

9. Alternative Options Considered

9.1 Not applicable

10. Background Papers

10.1 Not applicable

11. Appendices

- 11.1 Appendix 1 Late payments of employee and employer contributions (Confidential)
11.2 Appendix 2 Key performance indicators – LGSS Pensions Service

Checklist of Key Approvals	
Is this decision included in the Business Plan?	No
Will further decisions be required? If so, please outline the timetable here	No
Is this report proposing an amendment to the budget and/or policy framework?	No
Has this report been cleared by Section 151 Officer?	Sarah Heywood –9 May 2018
Has this report been cleared by Head of Pensions?	Mark Whitby – 19 April 2018
Has the Chairman of the Pension Committee been consulted?	Councillor Rogers – 9 May 2018
Has this report been cleared by Legal Services?	Sent to Quentin Baker/Fiona McMillan – 1 May 2018

Appendix 2 – KPI Analysis for February 2018								
Function/Task	Indicator	Target	Completed	Within Target	Over Target	% Within Target	RAG	Comments
Notify leavers of deferred benefit entitlement.	Notify leavers of deferred benefit entitlements or concurrent amalgamation within 15 working days of receiving all relevant information.	90%	297	297	0	100%	G	SLA target met.
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%	20	19	1	95%	G	SLA target met.
Award dependant benefits – Statutory	Issue award within 5 working days of receiving all necessary information.	95%	21	21	0	100%	G	SLA target met.
Provide a maximum of one estimate of benefits to employees per year on request– Statutory	Estimate in agreed format provided within 10 working days from receipt of all information.	90%	67	62	5	92%	G	SLA target met.
Provide transfer-in quote to scheme member – Statutory	Letter issued within 10 working days of receipt of all appropriate information.	95%	10	10	0	100%	G	SLA target met.
Payment of transfer out – Statutory	Process transfer out payment – letter issued within 10 working days of receipt of all information needed to calculate transfer out payment.	90%	10	10	0	100%	G	SLA target met.

Appendix 2 – KPI Analysis for March 2018								
Function/Task	Indicator	Target	Completed	Within Target	Over Target	% Within Target	RAG	Comments
Notify leavers of deferred benefit entitlement.	Notify leavers of deferred benefit entitlements or concurrent amalgamation within 15 working days of receiving all relevant information.	90%	302	300	2	99%	G	SLA target met
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%	38	37	1	97%	G	SLA target met
Award dependant benefits – Statutory	Issue award within 5 working days of receiving all necessary information.	95%	35	35	0	100%	G	SLA target met
Provide a maximum of one estimate of benefits to employees per year on request - Statutory	Estimate in agreed format provided within 10 working days from receipt of all information.	90%	79	74	5	94%	G	SLA target met
Provide transfer-in quote to scheme member – Statutory	Letter issued within 10 working days of receipt of all appropriate information.	95%	23	22	1	96%	G	SLA target met
Payment of transfer out – Statutory	Process transfer out payment – letter issued within 10 working days of receipt of all information needed to calculate transfer out payment.	90%	6	6	0	100%	G	SLA target met

Green:

- **Equal to or above SLA target.**

Amber:

- **If there is a statutory target - below SLA target, but all within statutory target.**
- **If there is no statutory target - below SLA target, but number completed within target is within 10% of the SLA target.**

Red:

- **If there is a statutory target - below SLA target and not within statutory target.**
- **If there is no statutory target - below SLA target and number completed within target is not within 10% of the SLA target.**

Pension Fund Committee

Date: 24 May 2018

Report by: Head of Pensions

Subject:	Governance and Compliance Report
Purpose of the Report:	To provide the Pension Fund Committee with: 1) Information on potential, new or amending legislation affecting the LGPS; 2) Information on other pensions legislation; 3) Activities of the LGPS Scheme Advisory Board and the Pensions Regulator; 4) Information on issues concerning the governance of the Local Government Pension Scheme (LGPS) on a national and local basis; and 5) Skills and knowledge opportunities.
Recommendations:	That the Pension Fund Committee notes the content of the report.
Enquiries to:	Jo Walton – Governance and Regulations Manager, LGSS Pensions Service E-mail: jwalton@northamptonshire.gov.uk

1. Background

1.1 This is a standing report that identifies issues concerning the governance of the Local Government Pension Scheme (LGPS) and also potential, new, amending and overriding legislation that will have an impact on how the Scheme is managed and on members' benefits.

2. Contracted-out reconciliation exercise

2.1 On 8 February 2018, the Local Government Pensions Committee (LGPC) issued a survey to administering authorities in England & Wales. The aim of the survey was to determine what stage administering authorities are at with their contracted-out reconciliation exercise.

2.2 The results of the survey shows that administering authorities are at different stages in respect of their individual types of members (e.g. active, deferred and pensioners).

2.3 The table shows ‘worst’ and ‘best’ case scenarios i.e. if an administering authority is at:

- stage 4 for pensioners and stage 2 for actives and deferred – then the ‘worst’ case scenario shows the administering authority at stage 2, or
- stage 4 for pensioners and stage 2 for actives and deferred – then the ‘best’ case scenario shows the administering authority at stage 4.

Stage	Description of Stage	No. of administering authorities at this stage	
		Worst case scenario	Best case scenario
Stage 0	Administering authority has yet to start the exercise	8	4
Stage 1	Compare administering authority data with HMRC data	20	13
Stage 2	Review data inconsistencies, raise with HMRC, agree outcome	51	42
Stage 3	Rectification	9	25
Stage 4	Reconciliation complete	0	4

2.4 Cambridgeshire Pension Fund is at stage 2 for all categories of membership.

2.5 During the course of the contracted-out reconciliation exercise, the Secretariat has been informed that a number of administering authorities have reached a stalemate with HMRC regarding a number of individual cases. The most problematic of which, appear to be those cases for which the administering authority cannot find any liability, though HMRC are insistent that the liability lies with the administering authority.

2.6 In order to pay a scheme benefit the scheme must have the necessary accurate data (prescribed within the scheme regulations and be in compliance with the Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014) with which to calculate the defined benefits. HMT are aware of this problem and will consider this further in due course.

3. Pensions Dashboard Update

3.1 On 13 February 2018, the LGPC Secretariat attended an informal discussion with DWP and other public service pension schemes about the Pensions Dashboard. DWP are in the process of conducting a feasibility project to explore the options for delivering the pensions dashboard as part of this work they are seeking the input and views from stakeholders.

4. McDonald (Respondent) v Newton or McDonald (Appellant) (Scotland) - Supreme Court Ruling – Pensioner on Divorce

4.1 The ruling on the above case applies equally to benefits held in the LGPS Scotland, LGPS England and Wales and the LGPS Northern Ireland, where the divorce is made under Scottish law.

- 4.2 The dispute was regarding the factors used to calculate the Cash Equivalent Transfer Value upon divorce. Mr McDonald argued that the court should apportion the value of his pension rights by reference only to the period in which he was an “active member” of the scheme, which is the period during which he was making contributions to the scheme. This would reflect the current process adopted by LGPS funds.
- 4.3 Conversely, Mrs McDonald argued that the cash equivalent transfer value should be apportioned by reference to the period of Mr Macdonald’s membership of the scheme, both when in pensionable employment and also when drawing a pension.
- 4.4 The Supreme Court unanimously allowed Mrs McDonald’s appeal and subsequently agreed that the period of membership should be interpreted as “the period of the person’s membership of the pension arrangement, whether or not contributions are being made in that period” citing various reasons for doing so.
- 4.5 This ruling sets a precedent and indicates a move away from current practice with regards to deferred and pensioner members.

5. High Court judgement in the case of Elmes v Essex

- 5.1 This case concerns Nichola Elmes versus Essex County Council with an interested party of the Ministry of Housing, Communities and Local Government (MHCLG) which is similar to that decided upon in the Supreme Court on 8 February 2017 (Brewster v NILGOSC, the Northern Ireland LGPS).
- 5.2 This case was heard before the High Court on 18 January 2018 and it is understood that the outcome of this case effectively removes the requirement for a nomination form from regulations and enables an LGPS administering authority to pay a partner’s pension, to the partner (who meets the definition of co-habiting partner set out in the LGPS Regulations 2013) of a deceased member who died without completing a nomination form, and who left active membership on or after 1 April 2008 and before 1 April 2014.
- 5.3 To date the full judgement of this ruling has not been released and no further action can be taken until this time.

6. The Pensions Advisory Service dispute function moves to the Pensions Ombudsman

- 6.1 The LGPC Secretariat has been notified that the Pensions Advisory Service’s (TPAS) dispute resolution function is moving to The Pensions Ombudsman (TPO). The move includes the transfer of the TPAS dispute resolution team and volunteer network of over 350 advisers. The transfer was expected to be completed by 1 March 2018.
- 6.2 At present customers can approach both TPO and TPAS for help when dealing with a pension complaint. TPAS usually focussed on complaints before the pension scheme’s internal dispute resolution procedure (IDRP) had been completed, whilst TPO typically deals with complaints that have been through IDRP

6.3 Customers will be able to access all pension dispute resolution, previously handled by two services, whether pre or post IDRP, in one place, leading to a smoother customer journey and improved complaint handling. TPAS will continue to focus on providing pension information and guidance, and will become an integral part of the new Single Financial Guidance Body.

7. General Data Protection Regulation (GDPR)

7.1 The General Data Protection Regulation is regulation by which the European Parliament, the Council of the European Union and the European Commission intend to strengthen and unify data protection for all individuals within the European Union.

7.2 The primary objectives of the General Data Protection Regulation (GDPR) are to give control back to citizens over their personal data and to simplify the regulatory environment for international business by unifying the regulation within the EU.

7.3 The regulation was adopted on 27 April 2016 and becomes enforceable from 25 May 2018 after a two year transition period.

7.4 Regular reports have been provided to the Cambridgeshire Pension Fund Local Pension Board on the progress made by both Cambridgeshire County Council and by officers of LGSS Pensions in towards achieving compliance with the GDPR with respect to the operation of the Cambridgeshire Pension Fund.

7.5 The following table shows the extent of compliance achieved by the respective parties in respect of Cambridgeshire Pension Fund:

Item of compliance	Progress	Party responsible
Privacy Notice	Completed following Local Government Pensions Committee guidance. To be made available on the LGSS Pensions website prior to 25 May 2018 and signposted to all scheme members upon first communication following joining the scheme and to existing members through the issue of annual benefit statements. Pensioner members will be notified via May 2018 payslip (see appendix 2)	LGSS Pensions
Information Asset Register	Completed (see appendix 3)	LGSS Pensions
Record of Processing Activities	Completed (see appendix 4)	LGSS Pensions
Appointment of a Data Protection Officer	Cambridgeshire County Council are in the process of recruiting a Data Protection Officer.	Cambridgeshire County Council

Pension Fund supplier contracts and Data Sharing Agreements	At the time of writing this report, LGSS Law are reviewing the appropriateness of the variation agreements received from suppliers and/or whether existing data sharing agreements remain appropriate.	LGSS Pensions
Memorandum of Understanding (between administering authority and scheme employers)	Completed following Local Government Pensions Committee guidance. To be made available to scheme employers on the LGSS Pensions website prior to 25 May 2018. Employers will be notified of its presence on the website (see appendix 5)	LGSS Pensions
County Council corporate contracts (for printing and postage of pensioner payslips)	At the time of writing this report, confirmation has been requested as to whether the County Council have ensured that their corporate contracts contain GDPR compliant terms.	Cambridgeshire County Council

7.6 The Pension Committee will be updated at the next meeting as to the extent of compliance of any outstanding items.

8. Consultations

8.1 Insolvency regime for further education and sixth form colleges: technical consultation – Local Government Association response

8.1.1 The Local Government Association(LGA) responded to the above consultation on 7 February 2018, a copy of the response can be found at the following link:

<http://lgpslibrary.org/assets/cons/nonscheme/20180207IR.pdf>

8.1.2 Officers were in discussions with LGA regarding the submission and had input via the LGA response which asks that appointed education administrator puts in place the appropriate safeguards to ensure that an insolvent institution does not result in its LGPS liabilities being met by other employers within the fund.

9. Skills and knowledge opportunities.

9.1 Training Events

9.1.1 Section 248A of The Pensions Act 2004 as incorporated within The Pensions Regulator's Code of Practice (Governance and administration of public service pension schemes) requires all members of the Pensions Committee to maintain the necessary skills and knowledge to undertake their role effectively.

9.1.2 In order to facilitate the acquisition of skills and knowledge for members of the Pension Committee, appendix 1 lists all events that are deemed useful and appropriate.

9.1.3 Requests to attend events will be facilitated by the Governance Team. It may be necessary to restrict numbers of attendees on some courses through reasons of cost.

10. Relevant Pension Fund Objectives

Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance. <i>Objective 1</i>
Manage the Fund in a fair and equitable manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers. <i>Objective 2</i>
Ensure the relevant stakeholders responsible for managing, governing and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge to ensure those attributes are maintained in a changing environment. <i>Objective 3</i>
Continually monitor and manage risk, ensuring the relevant stakeholders are able to mitigate risk where appropriate. <i>Objective 5</i>

11. Risk Implications

a) Risk(s) associated with the proposal

Risk	Mitigation	Residual Risk
There is no risk associated with this report as it is a note report.		Green

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

Risk	Risk Rating
That the Committee are ill-informed about important consultations and changes affecting the Fund they are responsible for administering	Green

12. Finance & Resources Implications

12.1 Not applicable

13. Communication Implications

Training	All staff involved in the administration of the LGPS are aware of the new legislation and the impact on the calculation and payment of benefits from the scheme.
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14. Legal Implications

14.1 There are no legal implications connected to the contents of this report.

15. Consultation with Key Advisers

15.1 There has been no requirement to consult with advisers over the content of this report.

16. Alternative Options Considered

16.1 There are no alternative options to be considered.

17. Background Papers

17.1 Not applicable

18. Appendices

18.1 Appendix 1 List of training events/conferences.

18.2 Appendix 2 Privacy Notice

18.3 Appendix 3 Information Asset Register

18.4 Appendix 4 Record of Processing Activities

18.5 Appendix 5 Memorandum of Understanding

Checklist of Key Approvals	
Is this decision included in the Business Plan?	Not applicable
Will further decisions be required? If so, please outline the timetable here	Not applicable
Is this report proposing an amendment to the budget and/or policy framework?	No
Has this report been cleared by Head of Pensions?	Mark Whitby – 17 April 2018
Has this report been cleared by Section 151 Officer?	Sarah Heywood – 9 May 2018
Has the Chairman of the Pension Fund Committee been consulted?	Councillor Terry Rogers – 9 May 2018
Has this report been cleared by Legal Services?	Sent to Quentin Baker/Fiona McMillan – 1 May 2018

Appendix 1 - Internal/External training and events 2018-2019

Date	Event	Training Credits	Target Audience	Website Link
7 February 2018	LGSS Pensions Information Day	2	Officers, Committee/ Board Members	In house ACCESS – appointment of operator
23 February 2018	Schroders Trustee Training (Part 1)	2	Officers, Committee/ Board Members	https://www.schrodersevents.co.uk/schroders/frontend/reg/thome.csp?pageID=474304&eventID=1363&traceRedir=2&eventID=1363 The programme is designed to cover a wide range of different asset classes and investment strategies, as well as how to manage some of the risks associated with them
26 February 2018	Local Pension Board – Spring Seminar	2	Board Members	https://www.barnett-waddingham.co.uk/events/2018/02/26/lgps-local-pension-board-members-spring-seminar The latest updates on governance and the LGPS, including a focus on key emerging issues. It will also provide opportunities for discussion on the issues you face and for networking with Board members from other funds
1–2 March 2018	LGC Investment Seminar	4	Officers, Committee/ Board Members	https://investmentseminar.lgcplus.com/ Keeping the LGPS affordable and accessible through austerity and uncertain times.
16 March 2018	Schroders Trustee Training (Part 2)	2	Officers, Committee/ Board Members	https://www.schrodersevents.co.uk/schroders/frontend/reg/thome.csp?pageID=474304&eventID=1363&traceRedir=2&eventID=1363 The programme is designed to cover a wide range of different asset classes and investment strategies, as well as how to manage some of the risks associated with them
9 May 2018	CIPFA Skills and Knowledge Training Day	2	Officers, Committee/ Board Members	In house/ AON Hewitt
21-23 May 2018	PLSA Local Authority Conference	4	Officers, Committee/ Board Members	https://www.plsa.co.uk/Events/Local-Authority-Conference
27 June 2018	LGPS Local Pension Boards Three Years on	2	Board Members	http://www.cipfa.org/training//lgps-local-pension-boards--three-years-on-20180627

4 July 2018	CIPFA Skills and Knowledge Training Day	2	Officers, Committee/ Board Members	In house/Mercer
11–12 July 2018	Heywood Class Group AGM	4	Officers	https://www.aquilauk.co.uk/
12-13 July 2018	LGC Pension Fund Symposium	4	Officers	https://pensionfund.lgcplus.com/
6-7 September 2018	LGC Investment Summit	4	Officers, Committee/ Board Members	https://investmentsummit.lgcplus.com/
12 September 2018	CIPFA Skills and Knowledge Training Day		Officers, Committee/ Board Members	In house/Hymans
26 September 2018	Introduction to the LGPS	2	Officers, Committee/ Board Members	http://www.cipfa.org/training/i/introduction-to-the-lgps-20180926 Aimed at new or inexperienced officers and elected members this course, based on the CIPFA knowledge and skills framework.
5 October 2018	LGSS Pension Information Day	2	Officers, Committee/ Board Members	In house
12 October 2018	Schroders Trustee Training (Part 1)	2	Officers, Committee/ Board Members	https://www.schrodersevents.co.uk/schroders/frontend/reg/thome.csp?pageID=474304&eventID=1363&traceRedir=2&eventID=1363 The programme is designed to cover a wide range of different asset classes and investment strategies, as well as how to manage some of the risks associated with them
2 November 2018	Schroders Trustee Training (Part 1)	2	Officers, Committee/ Board Members	https://www.schrodersevents.co.uk/schroders/frontend/reg/thome.csp?pageID=474304&eventID=1363&traceRedir=2&eventID=1363 The programme is designed to cover a wide range of different asset classes and investment strategies, as well as how to manage some of the risks associated with them
5-7 December 2018	LAPFF Annual Conference	4	Officers, Committee/ Board Members	http://www.lapfforum.org/events/lapff-conference/

TBC	UBS First Steps Seminar	2	Officers, Committee/ Board Members	
TBC	UBS Second Steps Seminar	2	Officers, Committee/ Board Members	
TBC	Pension Managers Annual Conference	4	Officers, Committee/ Board Members	
TBC	PLSA Annual Conference	4	Officers, Committee/ Board Members	
13 February 2019	LGSS Pension Information Day	2	Officers, Committee/ Board Members	In house

Core training has been highlighted in the plan above. Future dates of the CIPFA modules will be distributed shortly and will also be classed as core training.

FULL PRIVACY NOTICE

for the members and beneficiaries of the Cambridgeshire Pension Fund

This notice is for members and beneficiaries of the Cambridgeshire Pension Fund (the “Fund”). It has been prepared by Cambridgeshire County Council (the “Administering Authority”, or “we”) in its capacity as the administering authority of the Fund.

This privacy notice is also provided at the following link:

pensions.cambridgeshire.gov.uk

Why we are providing this notice to you

As the Administering Authority of the Fund we hold certain information about you (“personal data”) which we use to administer the Fund and to pay benefits from it. This notice is designed to give you information about the data we hold about you, how we use it, your rights in relation to it and the safeguards that are in place to protect it.

The technical bit

The Administering Authority holds personal data about you in its capacity as data controller for the proper handling of all matters relating to the Fund, including its administration and management. This includes the need to process your data to contact you, to calculate, secure and pay your benefits, for statistical and financial modelling and for reference purposes (for example, when we assess how much money is needed to provide members’ benefits and how that money should be invested), and to manage liabilities and administer the Fund generally. Further information about how we use your personal data is provided below.

The legal basis for our use of your personal data will generally be one or more of the following:

- a) we need to process your personal data to satisfy our legal obligations as the Administering Authority of the Fund; and/or
- b) we need to process your personal data to carry out a task in the public interest or in the exercise of official authority in our capacity as a public body; and/or
- c) we need to process your personal data for the legitimate interests of administering and managing the Fund and liabilities under it, calculating, securing and paying benefits and performing our obligations and exercising any rights, duties and discretions the Administering Authority has in relation to the Fund; and/or
- d) because we need to process your personal data to meet our contractual obligations to you in relation to the Fund (for example, under an agreement that you will pay additional voluntary contributions to the Fund), or to take steps, at your request, before entering into a contract.

What personal data we hold, and how we obtain it

The types of personal data we hold and process about you can include:

- Contact details, including name, address, telephone numbers and email address.
- Identifying details, including date of birth, national insurance number and employee and membership numbers.

- Information that is used to calculate and assess eligibility for benefits, for example, length of service or membership and salary information.
- Financial information relevant to the calculation or payment of benefits, for example, bank account and tax details.
- Information about your family, dependents or personal circumstances, for example, marital status and information relevant to the distribution and allocation of benefits payable on death.
- Information about your health, for example, to assess eligibility for benefits payable on ill health, or where your health is relevant to a claim for benefits following the death of a member of the Fund.
- Information about a criminal conviction if this has resulted in you owing money to your employer or the Fund and the employer or Fund may be reimbursed from your benefits.

We obtain some of this personal data directly from you. We may also obtain data (for example, salary information) from your current or past employer(s) or companies that succeeded them in business, from a member of the Fund (where you are or could be a beneficiary of the Fund as a consequence of that person's membership of the Fund) and from a variety of other sources including public databases (such as the Register of Births, Deaths and Marriages), our advisers and government or regulatory bodies, including those in the list of organisations that we may share your personal data with set out below.

Where we obtain information concerning certain "special categories" of particularly sensitive data, such as health information, extra protections apply under the data protection legislation. We will only process your personal data falling within one of the special categories with your consent, unless we can lawfully process this data for another reason permitted by that legislation. You have the right to withdraw your consent to the processing at any time by notifying the Administering Authority in writing. However, if you do not give consent, or subsequently withdraw it, the Administering Authority may not be able to process the relevant information to make decisions based on it, including decisions regarding the payment of your benefits.

Where you have provided us with personal data about other individuals, such as family members, dependants or potential beneficiaries under the Fund, please ensure that those individuals are aware of the information contained within this notice.

How we will use your personal data

We will use this data to deal with all matters relating to the Fund, including its administration and management. This can include the processing of your personal data for all or any of the following purposes:

- to contact you.
- to assess eligibility for, calculate and provide you (and, if you are a member of the Fund, your beneficiaries upon your death) with benefits.
- to identify your potential or actual benefit options.
- to allow alternative ways of delivering your benefits, for example, through the use of insurance products and transfers to or mergers with other pension arrangements.
- for statistical and financial modelling and reference purposes (for example, when we assess how much money is needed to provide members' benefits and how that money should be invested).
- to comply with our legal and regulatory obligations as the administering authority of the Fund.

- to address queries from members and other beneficiaries and to respond to any actual or potential disputes concerning the Fund.
- the management of the Fund’s liabilities, including the entering into of insurance arrangements and selection of Fund investments.
- in connection with the sale, merger or corporate reorganisation of or transfer of a business by the employers that participate in the Fund and their group companies.

Organisations that we may share your personal data with

From time to time we will share your personal data with advisers and service providers so that they can help us carry out our duties, rights and discretions in relation to the Fund. Some of those organisations will simply process your personal data on our behalf and in accordance with our instructions. Other organisations will be responsible to you directly for their use of personal data that we share with them. They are referred to as data controllers and we have highlighted them in the table below. You will be able to find out about their own data protection policies (which will apply to their use of your data) on their websites.

These organisations include the Fund’s:

Data processors	Data controllers
<ul style="list-style-type: none"> • Administrator – (currently LGSS) • Accountants – (currently LGSS) • Overseas payments provider to transmit payments to scheme member with non-UK accounts and overseas existence checks– (currently Western Union Business Solutions) • Printing companies – (currently CDS) • Pensions software provider – (currently Aquila Heywood) • Independent data auditor – (currently ITM Limited) • Digital law and regulation library – (currently Pendragon) 	<ul style="list-style-type: none"> • Actuarial consultant – (currently Hymans Robertson LLP) • Benefits and governance consultant – (currently Aon Hewitt Limited) • Investment consultant – (currently Mercer) • Additional Voluntary Contribution providers – (currently Prudential and Equitable Life) • Legal adviser – (currently LGSS Law Limited) • External auditor – (currently BDO) • Internal auditor – (currently LGSS) • LGPS National Insurance database – (South Yorkshire Pensions Authority) • The Department for Work and Pensions • The Government Actuary’s Department • The Cabinet Office – for the purposes of the National Fraud Initiative • HMRC • The Courts of England and Wales – for the purpose of processing pension sharing orders on divorce

In each case we will only do this to the extent that we consider the information is reasonably required for these purposes.

Further information in connection with Aon Hewitt and Hymans Robertson is included in the appendix to this privacy notice.

In addition, where we make Fund investments or seek to provide benefits for Fund members in other ways, such as through the use of insurance, then we may need to share personal data with providers of investments, insurers and other pension scheme operators. In each case we will only do this to the extent that we consider the information is reasonably required for these purposes.

From time to time we may provide some of your data to your employer and their relevant subsidiaries (and potential purchasers of their businesses) and advisers for the purposes of enabling your employer to understand its liabilities to the Scheme. Your employer would generally be a controller of the personal data shared with it in those circumstances. For example, where your employment is engaged in providing services subject to an outsourcing arrangement, the Administering Authority may provide information about your pension benefits to your employer and to potential bidders for that contract when it ends or is renewed.

Where requested or if we consider that it is reasonably required, we may also provide your data to government bodies and dispute resolution and law enforcement organisations, including those listed above, the Pensions Regulator, the Pensions Ombudsman and Her Majesty's Revenue and Customs (HMRC). They may then use the data to carry out their legal functions.

The organisations referred to in the paragraphs above may use the personal data to perform their functions in relation to the Fund as well as for statistical and financial modelling (such as calculating expected average benefit costs and mortality rates) and planning, business administration and regulatory purposes. They may also pass the data to other third parties (for example, insurers may pass personal data to other insurance companies for the purpose of obtaining reinsurance), to the extent they consider the information is reasonably required for a legitimate purpose.

In some cases these recipients may be outside the UK. This means your personal data may be transferred outside the EEA to a jurisdiction that may not offer an equivalent level of protection as is required by EEA countries. If this occurs, we are obliged to verify that appropriate safeguards are implemented with a view to protecting your data in accordance with applicable laws. Please use the contact details below if you want more information about the safeguards that are currently in place.

We do not use your personal data for marketing purposes and will not share this data with anyone for the purpose of marketing to you or any beneficiary.

How long we keep your personal data

We will only keep your personal data for as long as we need to in order to fulfil the purpose(s) for which it was collected and for so long afterwards as we consider may be required to deal with any questions or complaints that we may receive about our administration of the Fund, unless we elect to retain your data for a longer period to comply with our legal and regulatory obligations. In practice, this means that your personal data will be retained for such period as you (or any beneficiary who receives benefits after your death) are entitled to benefits from the Fund and for a period of 15 years after those benefits stop being paid. For the same reason, your personal data may also need to be retained where you have received a transfer, or refund, from the Fund in respect of your benefit entitlement.

Your rights

You have a right to access and obtain a copy of the personal data that the Administering Authority holds about you and to ask the Administering Authority to correct your personal data if there are any errors or it is out of date. In some circumstances you may also have a right to ask the

Administering Authority to restrict the processing of your personal data until any errors are corrected, to object to processing or to transfer or (in very limited circumstances) erase your personal data. You can obtain further information about these rights from the Information Commissioner's Office at: www.ico.org.uk or via their telephone helpline (0303 123 1113).

If you wish to exercise any of these rights or have any queries or concerns regarding the processing of your personal data, please contact the Fund Administrator as indicated below. You also have the right to lodge a complaint in relation to this privacy notice or the Administering Authority's processing activities with the Information Commissioner's Office which you can do through the website above or their telephone helpline.

The personal data we hold about you is used to administer your Fund benefits and we may from time to time ask for further information from you for this purpose. If you do not provide such information, or ask that the personal data we already hold is deleted or restricted this may affect the payment of benefits to you (or your beneficiaries) under the Fund. In some cases it could mean the Administering Authority is unable to put your pension into payment or has to stop your pension (if already in payment).

Updates

We may update this notice periodically. Where we do this we will inform members of the changes and the date on which the changes take effect.

Contacting us

Please contact the Fund administrator LGSS for further information.

Email: pensions@northamptonshire.gov.uk

Telephone: 01604 366537

LGSS Pensions
One Angel Square
4 Angel Street
Northampton
NN1 1ED

Data Protection Officer

You may also contact our data protection officer [-] for further information.¹

¹This satisfies requirements of Article 14(1)(b) of the GDPR.

APPENDIX

Aon Hewitt Limited "QUICK READ" PRIVACY NOTICE

Aon Hewitt Limited ("Aon") has been appointed to provide pensions advisory and calculation services that relate to your membership of the Fund. In doing so Aon will use personal information about you, such as your name and contact details, information about your pension contributions, age of retirement, and in some limited circumstances information about your health (where this impacts your retirement age) in order to be able to provide these services. The purposes for which we use personal information will include management of the Fund and your membership within it, funding (i.e. helping to ensure that the funds held within the Fund are sufficient to cover the members who are party to it), liability management (that is to say providing advice on the different ways benefits could be determined, and drawn, from the Fund), Fund Actuary duties (which include assessing individuals who are members of the pension scheme and assessing how the make-up of the membership may affect the amounts payable and when they become payable so as to manage the Fund appropriately), regulatory compliance, process and service improvement and benchmarking.

We may pass your personal information to third parties such as financial advisors and benefits providers, insurers, our affiliates and service providers and to certain regulatory bodies where legally required to do so. Depending on the circumstances, this may involve a transfer of data outside the UK and the European Economic Area to countries that have less robust data protection laws. Any such transfer will be made with appropriate safeguards in place.

More detail about Aon's use of your personal information is set out in our full Privacy Notice. We recommend that you review this notice which is available online at <http://www.aon.com/unitedkingdom/products-and-services/human-capital-consulting/aon-hewitt-actuarial-services-privacy-statement.jsp>, or you can request a copy by contacting us, including reference to the Fund name, at: Data Protection Officer, Aon Hewitt Limited (Retirement and Investment UK), PO Box 730, Redhill, RH1 9FH

Date of issue: April 2018

Hymans Robertson LLP

Hymans Robertson LLP provides actuarial consultancy advice, analytics and assessments to the Administering Authority. When providing actuarial services, Hymans acts as a data controller. For more information on this role, please visit:

https://www.hymans.co.uk/media/uploads/How_Hymans_Robertson_uses_your_personal_data_LG_PS.pdf.

Your data will also be shared with Club Vita LLP, who provide longevity (life expectancy) analytics and related information for the purpose of helping us to manage the Fund's liabilities.

Hymans Robertson LLP and Club Vita LLP may appoint service providers or sub-processors to help in the provision of their services. For details, please visit:

<https://www.hymans.co.uk/information/trust-centre/>

Information Asset Register

Description of Information Held	System or Physical location	Information Asset owner	Updating frequency	Disposal date	The legal basis under which you are holding and processing this data	What (if applicable) are the consent arrangements for collecting this information?	Can you remove records if consent to hold is withdrawn?	Shared with other NCC services?	Shared with other organisations?	Where is the information sent to or received from?	If shared, how does information get to and from there?	Is there a data sharing agreement that relates to this data flow?	How does the recipient store the information?
Scheme members' personal details (common data): full name, previous surname(s), DOB, NINO, pay references, address, previous addresses, partnership status, email address, phone number	Altair - Pensions Administration system	Head of LGSS Pensions	Daily	31/12/9999	GDPR Article 6 (c)	None - as per GDPR Article 6(c)	If a member exercises their right to be forgotten/processed, then data will be minimised/not processed but complete deletion is not always possible - please refer to privacy notice	LGSS Payroll for processing of pensioner payroll, optants out and refunds. LGSS Law for dispute resolution.	Yes - please refer to privacy notice.	Received from : Employing authorities, scheme members, their representatives, HMRC, DWP. Sent to: See privacy notice	By secure email, uploading to secure portals, post marked private and confidential.	Yes / or in very limited circumstances data is to shared without (see privacy notice).	As detailed in the data sharing agreement / contract which would have been deemed satisfactory for DPA 1998 upon establishment.
Scheme members' scheme data (common data): Status of membership, employing authority, dates of membership including transfers in, pensionable salary, contributions paid, national insurance earnings, pension debits and pension credits, ear marking orders, court orders, non-statutory deductions (pensioner payroll)	Altair - Pensions Administration system	Head of LGSS Pensions	Daily	31/12/9999	GDPR Article 6 (c)	None - as per GDPR Article 6(c)	If a member exercises their right to be forgotten/processed, then data will be minimised/not processed but complete deletion is not always possible - please refer to privacy notice	LGSS Payroll for processing of pensioner payroll, optants out and refunds. LGSS Law for dispute resolution.	Yes - please refer to privacy notice.	Received from : Employing authorities, scheme members, their representatives, HMRC, DWP. Sent to: See privacy notice	By secure email, uploading to secure portals, post marked private and confidential.	Yes / or in very limited circumstances data is to shared without (see privacy notice).	As detailed in the data sharing agreement / contract which would have been deemed satisfactory for DPA 1998 upon establishment.
Scheme members' scheme specific data: value of CARE pension accrual, accrued final salary pension, accrued automatic lump sum, frozen refund, refund, transfer out, transfer in, deferred benefit, pension in payment, accrued dependants' entitlement, Guaranteed Minimum Pension, tax code, tax deductions, age related adjustments, gross pay, net pay, amounts to be recovered, estimated benefits payable, details relating to annual allowance and lifetime allowance	Altair - Pensions Administration system	Head of LGSS Pensions	Daily	31/12/9999	GDPR Article 6 (c)	None - as per GDPR Article 6(c)	If a member exercises their right to be forgotten/processed, then data will be minimised/not processed but complete deletion is not always possible - please refer to privacy notice	LGSS Payroll for processing of pensioner payroll, optants out and refunds. LGSS Law for dispute resolution.	Yes - please refer to privacy notice.	Received from : Employing authorities, scheme members, their representatives, HMRC, DWP. Sent to: See privacy notice	By secure email, uploading to secure portals, post marked private and confidential.	Yes / or in very limited circumstances data is to shared without (see privacy notice).	As detailed in the data sharing agreement / contract which would have been deemed satisfactory for DPA 1998 upon establishment.
Potential beneficiaries that are not scheme members: cohabiting partners / nominees for death grant / spouses / civil partners / children: full name, DOB, address, email address, phone number	Altair - Pensions Administration system	Head of LGSS Pensions	Daily	31/12/9999	GDPR Article 6 (c)	None - as per GDPR Article 6(c)	If a member exercises their right to be forgotten/processed, then data will be minimised/not processed but complete deletion is not always possible - please refer to privacy notice	LGSS Payroll for processing of pensioner payroll, optants out and refunds. LGSS Law for dispute resolution.	Yes - please refer to privacy notice.	Received from : Employing authorities, scheme members, their representatives, HMRC, DWP. Sent to: See privacy notice	By secure email, uploading to secure portals, post marked private and confidential.	Yes / or in very limited circumstances data is to shared without (see privacy notice).	As detailed in the data sharing agreement / contract which would have been deemed satisfactory for DPA 1998 upon establishment.
Members' representatives: holders of power of attorney / executors of estates: full name, address, email address, phone number	Altair - Pensions Administration system	Head of LGSS Pensions	Daily	31/12/9999	GDPR Article 6 (c)	None - as per GDPR Article 6(c)	If a member exercises their right to be forgotten/processed, then data will be minimised/not processed but complete deletion is not always possible - please refer to privacy notice	LGSS Payroll for processing of pensioner payroll, optants out and refunds. LGSS Law for dispute resolution.	Yes - please refer to privacy notice.	Received from : Employing authorities, scheme members, their representatives, HMRC, DWP. Sent to: See privacy notice	By secure email, uploading to secure portals, post marked private and confidential.	Yes / or in very limited circumstances data is to shared without (see privacy notice).	As detailed in the data sharing agreement / contract which would have been deemed satisfactory for DPA 1998 upon establishment.
Optants Out (no liability): full name, previous surname(s), DOB, NINO, email address, phone number pay references, address, previous addresses, partnership status, employing authority	Altair - Pensions Administration system	Head of LGSS Pensions	Daily	31/12/9999	GDPR Article 6 (c)	None - as per GDPR Article 6(c)	If a member exercises their right to be forgotten/processed, then data will be minimised/not processed but complete deletion is not always possible - please refer to privacy notice	LGSS Payroll for processing of pensioner payroll, optants out and refunds. LGSS Law for dispute resolution.	Yes - please refer to privacy notice.	Received from : Employing authorities, scheme members, their representatives, HMRC, DWP. Sent to: See privacy notice	By secure email, uploading to secure portals, post marked private and confidential.	Yes / or in very limited circumstances data is to shared without (see privacy notice).	As detailed in the data sharing agreement / contract which would have been deemed satisfactory for DPA 1998 upon establishment.
Scanned images of documents	Altair - Pensions Administration system	Head of LGSS Pensions	Daily	31/12/9999	GDPR Article 6 (c)	None - as per GDPR Article 6(c)	If a member exercises their right to be forgotten/processed, then data will be minimised/not processed but complete deletion is not always possible - please refer to privacy notice	LGSS Payroll for processing of pensioner payroll, optants out and refunds. LGSS Law for dispute resolution.	Yes - please refer to privacy notice.	Received from : Employing authorities, scheme members, their representatives, HMRC, DWP. Sent to: See privacy notice	By secure email, uploading to secure portals, post marked private and confidential.	Yes / or in very limited circumstances data is to shared without (see privacy notice).	As detailed in the data sharing agreement / contract which would have been deemed satisfactory for DPA 1998 upon establishment.
Microfiche	Archiving - Boxit	Head of LGSS Pensions	Never	31/12/9999	GDPR Article 6 (c)	None - as per GDPR Article 6(c)	If a member exercises their right to be forgotten/processed, then data will be minimised/not processed but complete deletion is not always possible - please refer to privacy notice	LGSS Law for dispute resolution.	Yes - please refer to privacy notice.	Received from : Employing authorities, scheme members, their representatives, HMRC, DWP. Sent to: See privacy notice	By secure email, uploading to secure portals, post marked private and confidential.	Yes / or in very limited circumstances data is to shared without (see privacy notice).	As detailed in the data sharing agreement / contract which would have been deemed satisfactory for DPA 1998 upon establishment.
Archived files - contribution history, year end history, transfers out, bulk transfers, admissions	Archiving - Boxit /Cambridgeshire County Council basement	Head of LGSS Pensions	Annually	31/12/9999	GDPR Article 6 (c)	None - as per GDPR Article 6(c)	If a member exercises their right to be forgotten/processed, then data will be minimised/not processed but complete deletion is not always possible - please refer to privacy notice	LGSS Payroll for processing of pensioner payroll, optants out and refunds. LGSS Law for dispute resolution.	Yes - please refer to privacy notice.	Received from : Employing authorities, scheme members, their representatives, HMRC, DWP. Sent to: See privacy notice	N/A	N/A	N/A
Electronic documents detailing membership data (for the purpose of being transferred to membership records)	SharePoint (CCC and NCC networks)	Head of LGSS Pensions	Daily	31/12/9999	GDPR Article 6 (c)	None - as per GDPR Article 6(c)	If a member exercises their right to be forgotten/processed, then data will be minimised/not processed but complete deletion is not always possible - please refer to privacy notice	LGSS Payroll for processing of pensioner payroll, optants out and refunds. LGSS Law for dispute resolution.	Yes - please refer to privacy notice.	Received from : Employing authorities, scheme members, their representatives, HMRC, DWP. Sent to: See privacy notice	N/A	N/A	N/A

Record of Processing Activities - Article 30

Who processes the data?	Processor or Controller?	What personal data do they hold?	Why are they using the data? (legal basis - Article 6 c of the GDPR - processing is necessary for compliance with a legal obligation on the controller)	Who are the data subjects?	Where is data held?	Will the data be shared with any third parties by the Processor/Controller?	Is data transferred outside EEA?	How long is the data kept?	How is the data secured?
Administering authority / administrator (NCC/CCC)	Controller	Member data, potential beneficiary's data, members' representative data, optants out data, previous scheme members with no remaining liability (see Information Asset Register)	To administer the scheme	Scheme members, potential beneficiaries, representatives of scheme members, optants out, previous scheme members with no remaining liability.	Pensions administration system, microfiche, scanned documents, secure archive storage, SharePoint, local network drives.	Yes - see Information Asset Register and as explained below.	No. Unless members reside in a country outside the EEA in which case the Fund will communicate personal data to them normally via letter, email, payslip and P60.	99+ years	TBC
Employing Authorities	Controller in common	Member data (see Information Asset Register)	To facilitate employment decisions (ill health, redundancy estimates) as requested by the employer, to make additional pension contribution deductions from the employee's pay.	The employing authority's employees (scheme members)	N/A - specific to each scheme employer.	N/A	N/A	As determined by the employer.	As determined by the employer.
Auditor	Processor	Member data, potential beneficiary's data, members' representative data, optants out data, previous scheme members with no remaining liability (see Information Asset Register)	To audit the Fund's Annual Report and Statement of Accounts and to ensure appropriate internal controls are in place	Scheme members, potential beneficiaries, representatives of scheme members, optants out, previous scheme members with no remaining liability.	SharePoint	No.	No.	To be confirmed but no longer than the end of the contract.	TBC
Actuary	Joint Controller	Member data, potential beneficiary's data, members' representative data, optants out data, previous scheme members with no remaining liability (see Information Asset Register)	To calculate the value of the Fund's assets and liabilities based on its membership profile and to set employer contribution rates.	Scheme members, potential beneficiaries, representatives of scheme members, optants out, previous scheme members with no remaining liability.	Secure portal.	No.	No.	To be confirmed but no longer than the end of the contract.	TBC
Legal Advisor	Processor	Member data, potential beneficiary's data, members' representative data, optants out data, previous scheme members with no remaining liability (see Information Asset Register)	Provision of legal advice with regards to dispute resolution and TUPE transfers/employer admissions.	Scheme members, potential beneficiaries, representatives of scheme members, optants out, previous scheme members with no remaining liability.	N/A - specific to service provider.	No.	No.	To be confirmed but no longer than the end of the contract.	TBC
Pensioner Payroll Provider (LGSS Payroll) (NCC/CCC - same Data Controller)	Processor	Member data - pensioner and dependants' data only (see Information Asset Register)	To process pension payments, make statutory deductions, issuing P60s.	Pensioner and dependant scheme members.	Pensions administration system, local network drives.	No.	No.	6 + current tax year on local network drives, 99+ years on Pension Administration System	TBC
AVC Provider	Processor	Member data (see Information Asset Register)	Creation and maintenance of an individual member's AVC account.	Scheme members.	N/A - specific to service provider.	No.	No.	To be confirmed but no longer than the end of the contract.	TBC
Printers	Processor	Member data (see Information Asset Register)	To print pensioner payslips, P60s and bulk member communications.	Scheme members, representatives of scheme members, optants out.	N/A - specific to service provider.	NCC/CCC corporate contract used for print services. Please refer to NCC/CCC's ROPA.	No.	To be confirmed but no longer than the end of the contract.	NCC/CCC corporate contract used for print services. Please refer to NCC/CCC's ROPA.
Software Provider	Processor	Member data, potential beneficiary's data, members' representative data, optants out data, previous scheme members with no remaining liability (see Information Asset Register)	To provide software management support in the delivery of the Fund's pensions administration, pensioner payroll, member and employer self-service functions.	Scheme members, potential beneficiaries, representatives of scheme members, optants out, previous scheme members with no remaining liability.	Secure servers.	No.	No.	To be confirmed but no longer than the end of the contract.	TBC
Overseas Payments Transmitter	Processor	Member data - pensioner and dependants' data only (see Information Asset Register)	To transmit net pension payments to overseas bank accounts.	Pensioner and dependant scheme members.	N/A - specific to service provider.	No.	Yes - where a member has an overseas bank account outside the EEA.	To be confirmed but no longer than the end of the contract.	TBC
Benefits Consultant	Processor	Member data, potential beneficiary's data, members' representative data, optants out data, previous scheme members with no remaining liability (see Information Asset Register)	To support the Fund in delivering ad hoc and specific pensions administration activities.	Scheme members, potential beneficiaries, representatives of scheme members, optants out, previous scheme members with no remaining liability.	N/A - specific to service provider.	No.	No.	To be confirmed but no longer than the end of the contract.	TBC
Independent Data Auditor	Processor	Member data, potential beneficiary's data, members' representative data, optants out data, previous scheme members with no remaining liability (see Information Asset Register)	To provide independent insurance on the quality and accuracy of the Fund's data.	Scheme members, potential beneficiaries, representatives of scheme members, optants out, previous scheme members with no remaining liability.	Secure portal.	No.	No.	To be confirmed but no longer than the end of the contract.	TBC

Data Controller:	Cambridgeshire County Council	Shire Hall, Cambridge, CB3 0AP	Data Protection Officer: TBC
Joint Data Controller:	Hymans Robertson LLP (Fund Actuary)	Exchange Place One, Semple Street, Edinburgh, EH3 8BL	
Joint Data Controller:	Aon Hewitt	Aon Hewitt Limited (Retirement and Investment UK), PO Box 730, Redhill, RH1 9FH	

LOCAL GOVERNMENT PENSION SCHEME

Memorandum of Understanding regarding Compliance with Data Protection Law

1 INTRODUCTION

1.1 The Local Government Pension Scheme (“**LGPS**”) in England and Wales is an occupational pension scheme registered under section 153 of the Finance Act 2004 and its rules are currently set out in The Local Government Pension Scheme Regulations 2013 (SI 2013/2356) as amended (“**LGPS Regulations**”).

1.2 The LGPS is administered locally by administering authorities which are defined in Regulation 2 of the LGPS Regulations and listed in Part 1 of Schedule 3 of the LGPS Regulations.

1.3 Cambridgeshire County Council (“**Administering Authority**”) is an administering authority under the LGPS Regulations. The Administering Authority manages and administers the Cambridgeshire Pension Fund within the LGPS (the “**Fund**”) in accordance with its statutory duty under Regulation 53 of the LGPS Regulations. Employers employing employees who are eligible to be members of the LGPS will participate in the Fund as a “**Scheme Employer**” (as defined in schedule 1 of the LGPS Regulations). The Administering Authority and the Scheme Employer (together the “**Parties**”) are required to share personal data relating to the Scheme Employer’s current and former employees who participate in the Fund (the “**Members**”) and their dependants, in order for the Administering Authority to fulfil its statutory duties to manage and administer the Fund under Regulation 53 of the LGPS Regulations and provide the Members with benefits upon retirement, pay ill-health benefits, pay death grants, pay survivors’ pensions to Members’ spouses, civil partners and co-habiting partners, pay children’s pensions upon the death of the Member, offer Members the option of paying additional voluntary contributions to one or more providers in accordance with Regulations 1 – 52 of the LGPS Regulations.

1.4 Scheme Employers are under a statutory obligation, as detailed in Regulation 80 of the LGPS Regulations, to provide certain personal data relating to its Members on an annual basis to the Administering Authority, including the Member’s name, gender, date of birth, national insurance number, pensionable pay, employer and employee pension contributions, details of any additional pension contributions and additional voluntary contributions.

1.5 This Memorandum of Understanding sets out:

- (a) the basis on which data will be shared between the Parties;
- (b) the Administering Authority’s expectations of the Scheme Employer during its participation in the Fund;

in order to comply with Data Protection Law, including the General Data Protection Regulation (2016/679) (“**GDPR**”) which will have direct legal effect in the UK on and after 25 May 2018.

1.6 References to “**Data Protection Law**” in this Memorandum of Understanding mean the Data Protection Act 1998, the Data Protection Directive (95/46/EC), the Electronic Communications Data Protection Directive (2002/58/EC), the Privacy and Electronic

Communications (EC Directive) Regulations 2003 (SI 2426/2003) (as amended), the General Data Protection Regulation (2016/679) and all applicable laws and regulations relating to personal data and privacy which are enacted from time to time, including (where applicable) the guidance and codes of practice issued by the Information Commissioner's Office and any other competent authority.

2 DATA CONTROLLERS

2.1 The Parties acknowledge that they will:

- (a) not hold a pool of joint data;
- (b) be separate and independent data controllers in relation to the copies of the Members' personal data they respectively hold;
- (c) act as data controller in relation to personal data transferred to them;
- (d) each be responsible for complying with the requirements in Data Protection Law that are applicable to them as data controllers.

2.2 References to Members' personal data includes personal data relating to the Members' dependants (including children) and spouses/civil partners (where applicable).

3 DATA SHARING

3.1 The Parties confirm that they understand their respective obligations under Data Protection Law as data controllers and agree to only process personal data relating to the Members:

- (a) fairly and lawfully and in accordance with the data protection principles set out in Data Protection Law;
- (b) where there are lawful grounds for doing so; and
- (c) in accordance with Data Protection Law and best practice guidance (including the Data Sharing Code issued by the Information Commissioner's Office and updated from time to time).

3.2 Each Party will separately inform the Members (as required under Data Protection Law) of the respective purposes for which they will each process their personal data and provide all required information to ensure that the Members understand how their personal data will be processed in each case by the Administering Authority or Scheme Employer (as applicable). The Scheme Employer's privacy notice to Members will inform them that their personal data will be provided to the Administering Authority and a copy of that notice will be provided to the Administering Authority on request.

3.3 Each Party confirms that it understands its respective obligations under Data Protection Law, to ensure that the Members' personal data of which it is a data controller is kept and used securely at all times and to take such technical and organisational security measures against unauthorised and unlawful processing of, accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to the Members' personal data transmitted, stored or otherwise processed as may be required. Such measures will have due regard to the state of technological development and the cost of implementation of

these measures, to ensure a level of security appropriate to the harm that might result from such processing and the nature, scope, context and purposes of processing the Members' personal data and the risk or likelihood and severity for the rights and freedoms of data subjects. Such measures will ensure:

- (a) the ongoing confidentiality, integrity, availability and resilience of processing the Members' personal data;
- (b) the ability to restore the availability and access to the Members' personal data in a timely manner in the event of a physical or technical incident;
- (c) carrying out of regular testing, assessing and evaluating the effectiveness of technical and organisational measures for ensuring the security of the processing.

3.4 Each Party undertakes to notify the other as soon as practicable if an error is discovered in the Members' personal data of which it is a data controller and which was received from or a copy of which has been provided to the other Party, to ensure that such other Party is then able to correct its own records. This will happen whether the error is discovered through existing data quality initiatives or is flagged up through some other route (such as the existence of errors being directly notified to the Administering Authority or Scheme Employer (as appropriate) by the Member (or the Member's dependants, spouse/civil partner) themselves).

4 TRANSFER OF MEMBERS' PERSONAL DATA

4.1 The Parties agree that Members' personal data will only be transferred from one Party to the other via an acceptable method specified by the Administering Authority which may include any of the following:

- (a) face to face
- (b) courier
- (c) secure email
- (d) SFTP link
- (e) encrypted removable media
- (f) access secure website
- (g) third party solution as agreed by the Parties

4.2 Each Party will, when transferring the Members' personal data of which it is the data controller to the other Party, ensure that that data is secure during transit (whether physical or electronic).

4.3 If either the Administering Authority or the Scheme Employer appoints professional advisers, third party administrators or another entity which provides other services involving the transfer of Members' personal data, those third parties will be data processors or data controllers in their own right. The Administering Authority or the Scheme Employer (as applicable) will comply with its own obligations in accordance with Data Protection Law (in

particular, by ensuring that any entity to which it transfers Members' personal data also complies with Data Protection Law) and shall ensure that that nothing in the terms of engagement between the Administering Authority or the Scheme Employer (as applicable) and such third party would contradict this Memorandum of Understanding.

5 RIGHTS OF MEMBERS (INCLUDING THE MEMBER'S DEPENDANTS, SPOUSES/CIVIL PARTNERS (WHERE APPLICABLE))

5.1 Each Party shall, in respect of the personal data of which it is a data controller, respond to any requests from Members to have access to any of their personal data or a complaint or enquiry relating to that Party's processing of the Members' personal data received by that Party in line with its own obligations under the Data Protection Law.

5.2 Each Party agrees to provide reasonable assistance to the other as is necessary to enable the other Party to comply with any such requests in respect of Members' personal data of which that Party is a data controller and to respond to any other queries or complaints from Members.

6 DATA SECURITY BREACHES AND REPORTING PROCEDURES

6.1 Each Party confirms that it understands its respective obligations under Data Protection Law in the event of any personal data breach, unauthorised or unlawful processing of, loss or destruction of or damage to any of the Members' personal data, including (where necessary) an obligation to notify the Information Commissioner's Office and/or the Member(s).

7 RESPONSIBILITIES OF SCHEME EMPLOYERS

7.1 Notwithstanding the statutory obligations which apply to Scheme Employers under the LGPS Regulations and as a data controller under Data Protection Law, the Administering Authority, as Administering Authority for the Fund, expects Scheme Employers participating in the Fund to comply with the responsibilities set out below in relation to Members' personal data.

7.2 On request, the Scheme Employer will inform the Head of Pensions at the Administering Authority of any appointed qualified person to fulfil the role of data protection officer ("DPO") together with their contact details. If the Scheme Employer has not appointed a DPO, the Scheme Employer, on request, will inform the Head of Pensions at the Administering Authority of the details of a nominated person for GDPR compliance purposes.

7.3 The Scheme Employer will demonstrate to the Administering Authority's satisfaction when dealing with ill health early retirement applications for current employees that explicit Member consent has been received which gives consent to processing by both the Scheme Employer and the Administering Authority. In the absence of such consent, the Administering Authority may not be able to process the Member's application.

7.4 The Scheme Employer acknowledges the financial penalties that can be imposed by the Information Commissioner's Office in relation to breaches of Data Protection Law and will inform the Administering Authority within 10 working days from the point that it becomes aware that the Scheme Employer may be liable to pay such a financial penalty. The Scheme Employer further acknowledges that any liability it may have to pay a financial penalty to the

Information Commissioner's Office may result in a revision of the rates and adjustments certificate in accordance with Regulation 62(7) of the LGPS Regulations.

8 COMPLIANCE WITH THE MEMORANDUM OF UNDERSTANDING

8.1 Failure by the Scheme Employer to comply with the terms set out in this Memorandum of Understanding may result in the Administering Authority taking any or all of the following actions:

- (a) reporting the Scheme Employer's non-compliance to the Information Commissioner's Office

9 REVIEW AND AMENDMENT OF MEMORANDUM OF UNDERSTANDING

The Administering Authority will review the Memorandum of Understanding from time to time. The Administering Authority reserves the right to amend the Memorandum of Understanding at any time and will provide written notice to the Scheme Employer of such amendment.

DRAFT

CAMBRIDGESHIREPENSION FUND



Pension Fund Committee

Date: 24 May 2018

Report by: Head of Pensions

Subject:	Cambridgeshire Pension Fund 2018-19 Communication Plan
Purpose of the Report	To present the Cambridgeshire Pension Fund Communication Plan for the 2018-19 scheme year
Recommendations	The Pension Fund Committee are asked to approve the Communication Plan
Enquiries to:	Name -Cory Blose – LGSS Employer Services and Systems Manager E-mail – cblose@northamptonshire.gov.uk

1. Background

- 1.1 The Local Government Pension Scheme Regulations 2013 (The Regulations) requires the Pension Fund to prepare, maintain and publish a written statement setting out its policy concerning communications with members and scheme employers.
- 1.2 Regulation 63(2) requires the statement to set out the format, frequency and method of distributing information or publicity.
- 1.3 The Communication Plan at **Appendix 1** forms part of that policy as required by Regulation 63(2) and sets out the communication activities for the 2018-19 scheme year specifying the time frame for publishing communication items.
- 1.4 The Pension Fund Committee is asked to approve the Communication Plan

2. The Communications Plan

- 2.1 The Communications Plan details the communications that we plan to send to the Fund’s stakeholders, including:

Active scheme members
Deferred scheme members
Prospective scheme members
Retired scheme members

Dependant scheme members
Scheme employers
Fund staff

2.2 The plan sets firm deadlines for key communications.

3. Relevant Pension Fund Objectives

Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance. <i>(Objective no 1)</i>
Ensure the relevant stakeholders responsible for managing, governing and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge to ensure those attributes are maintained in a changing environment. <i>(Objective no 3)</i>
Continually monitor and measure clearly articulated objectives through business planning. <i>(Objective no 4)</i>
Continually monitor and manage risk, ensuring the relevant stakeholders are able to mitigate risk where appropriate. <i>(Objective no 5)</i>
Put in place performance standards for the Fund and its employers and ensure these are monitored and developed as necessary. <i>(Objective no 8)</i>
Promote the Scheme as a valuable benefit. <i>(Objective no 12)</i>
Deliver consistent plain English communications to Stakeholders. <i>(Objective no 13)</i>
Provide Scheme members with up to date information about the Scheme in order that they can make informed decisions about their benefits. <i>(Objective no 14)</i>

4. Finance & Resources Implications

4.1 There are no direct finance and resource implications of approving this plan however, the communication activities themselves will have costs and resource application which will depend entirely on the final specification of each communication activity. All planned communication activities for 2018-19 are included in the Fund budget previously agreed in the Business Plan, unless there was an explicit statement in the Business Plan to the contrary.

5. Risk Implications

a) Risk(s) associated with the proposal

Risk	Mitigation	Risk Rating
There are no risks associated with this proposal.		

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

Risk	Risk Rating
Failure to comply with statutory obligations to provide members and scheme employers with certain key communications throughout the scheme year as required by the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013	Red

6. Stakeholder Communications

Direct communications	Not applicable
Website	The approved communication plan will be published on the LGSS Pensions website
Internal Communications	The approved communication plan will be distributed internally to officers.

7. Legal Implications

7.1 Not applicable

8 Consultation with Key Advisers

8.1 Consultation with the Funds advisers was not required for this report.

9. Alternative Options Considered

9.1 Not applicable

10. Background Papers

10.1 Not applicable

11. Appendices

11.1 Appendix 1 – Cambridgeshire Pension Fund – 2018-19 Communications Plan

Checklist of Key Approvals	
Is this decision included in the Business Plan?	
Will further decisions be required? If so, please outline the timetable here	Not applicable
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?	Sarah Heywood –9 May 2018
Has this report been cleared by Head of Pensions?	Mark Whitby –1 May 2018
Has the Chairman of the Pension Fund Committee been consulted?	Councillor Rogers –9 May 2018

Has this report been cleared by Legal Services?	Sent to Quentin Baker/Fiona McMillan-1 May 2018
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Communication Plan 2018/19

MONTH	ACTIVITY						
	Active Scheme members	Scheme employers	Prospective Scheme members	Deferred Scheme members	Retired Scheme members	Dependant Scheme members	Fund staff
APR	Launch of new website and promotion of self-service facility	Launch of new website Employer Training Year-end reminder Quarterly Newsletter	Launch of new website and promotion of self-service facility	Launch of new website and promotion of self-service facility	Payslip Launch of new website	Payslip Launch of new website	Launch of new website
MAY	Inform members of Scheme changes resulting from LGPS Amendment Regulations		Scheme promotion fact sheet and poster	Electronic Annual Benefit Statements Inform members of Scheme changes resulting from LGPS Amendment Regulations	Inform members of Scheme changes resulting from LGPS Amendment Regulations	Inform members of Scheme changes resulting from LGPS Amendment Regulations	Communicate Scheme changes resulting from LGPS Amendment Regulations

JUN	Promotions of new website and self-service facility	Employer Training		Promotion of new website and self-service facility	Promotions of new website and self-service facility	Promotions of new website and self-service facility	
Jul	Annual reports & accounts Promotion of Member Self Service	Annual reports & accounts Quarterly Newsletter	Annual reports & accounts	Annual reports & accounts	Annual reports & accounts	Annual reports & accounts	Annual reports & accounts
AUG	Annual Benefit Statements Newsletter Promotion of self-service facility			Newsletter			
SEPT		Employer Training	Scheme promotion factsheet and poster				
OCT		Employer Forums Employer Training					

NOV	Promotion of self-service facility	Employer newsletter					
DEC		Employer Training					
Jan	Promotion of self-service facility						
Feb		Employer Training Quarterly Newsletter	Scheme promotion factsheet and poster				
Mar	Promotion of self-service facility	Employer Forum			Newsletter Notice of introduction of electronic communications	Newsletter Notice of introduction of electronic communications	

Ad hoc Comms	Website updates	Training Workshops. Pension Bulletins Website updates Valuation Report (every 3 yrs)	Promotional Posters Website updates	Website updates	Website updates	Annual review of entitlement – May/June. Website updates	Website updates Pension Committees
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* Must be an active scheme member as at 31st March in the financial year that the statement relates.

**CAMBRIDGESHIRE
PENSION FUND**



Pension Fund Committee

Date: 24 May 2018

Report by: Head of Pensions

Subject:	Review of the effectiveness of the Pension Committee
Purpose of the Report	To provide feedback on the results from the effectiveness review survey.
Recommendations	That the Committee notes the feedback and approves the plan of action to improve the effectiveness of the Pension Committee in the areas identified.
Enquiries to:	Name: Michelle Oakensen E-mail: moakensen@northamptonshire.gov.uk

1. Background

- 1.1 It is appropriate to regularly review the effectiveness of the Pension Fund Committee. In January members were invited to complete a survey on how adequate they felt the current arrangements of the Committee are.
- 1.2 The survey consisted of 26 statements and sought feedback in six key areas:
 - Committee structure and culture
 - Management of meetings
 - Skills, Knowledge and Training
 - Risks and conflicts
 - The role of Advisors
 - Documents and Policies
- 1.3 Surveys were to be completed by 9 February 2018 to be included in the final assessment of the results.

2. Response to the review

- 2.1 The survey was sent to the 12 members of the Pension Fund Committee (including substitutes) and 5 completed questionnaires were returned.
- 2.2 The following table details the membership categories from whom completed surveys were received:

Representative:	No. of completed surveys
Cambridgeshire County Council Members	2

All other employers	1
Deferred and Pensioner scheme member	2

3. Results of the effectiveness survey

3.1 The survey consisted of 26 statements that participants were asked to provide a rating of between 5 and 1 with 5 being strongly agree and 1, strongly disagree. Participants were also encouraged to provide further comments to support the rating they had provided.

3.2 A full analysis of the results of the survey can be found in **appendix 1**.

4. Conclusions drawn from the effectiveness survey

4.1 The effectiveness of the Pension Fund Committee as a whole was positive with the majority of scoring being in the strongly agree and agree categories. Of the answers provided approximately 12% were in the disagree category and none in the strongly disagree category.

4.2 From an analysis of the ratings and additional comments provided in the survey the following can be concluded that the Pension Fund Committee are particularly happy in the following areas:

- That conflicts of interests need to be declared
- Members recognise their fiduciary duties to make decisions that are in the best interests of the scheme member
- Understand the role of the Fund's actuary
- Understand the role of the Fund's investment advisors
- Familiar with the Pension Fund objectives
- Able to articulate responsibilities to the Administering Authority, participating employers and members of the Pension Fund
- Meetings are chaired effectively with all opinions being heard and consensus sought to conclude matters
- Advisors make a useful contribution to the meetings
- Know what process to follow if a breach of the law was suspected and there is a policy in place to support this
- There is sufficient level of coverage of professional advisors, such as the actuary and investment advisors
- The Knowledge and Skills Framework adopted is adequate for achieving the required level of knowledge to enable effective contribution/decision making
- Understand the role and obligations under the LGPS Regulations and the terms of reference for the Committee
- The quality of reports meet the expected standard

4.3 The survey also identified a number of areas for improvement. The table below identifies those areas and comments against each one:

Area for improvement	Concern	Comments/Action
Members are satisfied	No comment provided	Officers are continually monitoring

that the risks identified on the covering reports adequately identify the risks involved in taking a particular decision.		how best to deliver reports including associated risks. This will be looked at in 2018/19.
Members are provided with good quality policies and strategies for review/approval.	No comment provided	Officers are continually improving and streamlining policies and strategies for approval. This will continue to be monitored.
There is sufficient time allocated to agenda items to ensure sufficient discussion and informed decision making.	This may be the case for experienced committee members, for newer members the relevance of each item on the agenda is not particularly clear in advance of the meeting.	Agendas and papers are sent out in advance of all meetings to give members the opportunity to review the papers before the meeting. The aim of the meeting is then to discuss each item in more detail. It would be hard to put a relevance against each item as the item has already been deemed as relevant to be presented to the Committee. A background section can be included in reports to put the report into context and the named lead officer on the report may be contacted in advance of the meeting if further clarity is required.
Members are aware of the risks facing the Fund and review the risk register on a regular basis.	No comment provided	The risk register was presented to the Committee in March 2017, any changes to the risk are reported in the Business Plan Update. A full review of risks is due to be undertaken again in 2018/19 and will be presented to the Committee during this time. We will be bringing a report on amber/red risks to the October Committee
I know where to find the Fund's key documents.	Need to be reminded.	The Fund's key documents are held on the current website and are on the new website awaiting launch, the navigation on the new website is much simpler and finding key documents should be easier.
There are a sufficient number of meetings held in the financial year.	No comment provided	Meetings are set in accordance with the Constitution but additional meetings can be requested if the Committee deem appropriate.

5. Relevant Pension Fund Objectives

Have robust governance arrangements in place, to facilitate informed decision making,

supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance. Objective 1.
Manage the Fund in a fair and equitable manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers. Objective 2
Ensure the relevant stakeholders responsible for managing, governing and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge to ensure those attributed are maintained in a changing environment. Objective 3.
Continually monitor and measure clearly articulated objectives through business planning. Objective 4.
Continually monitor and manage risk, ensuring the relevant stakeholders are able to mitigate risk where appropriate. Objective 5.

6. Finance & Resources Implications

6.1 There are no financial or resource implications as a result of accepting the recommendations within this report.

7. Risk Implications

a) Risk(s) associated with the proposal

Risk	Mitigation	Residual Risk
There are no risks associated with improving the efficiency of what is already felt to be a very effective Pension Fund Committee	N/A	N/A

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

Risk	Risk Rating
Should the improvements identified in 4.3 not be made in the long term there is potential for the Pension Fund Committee to not operate at its maximum efficiency, which could be at the detriment to the Fund and its stakeholders.	Green

8. Communication Implications

8.1 There are no communication implications as a result of accepting the recommendations within this report.

9. Legal Implications

9.1 There are no legal implications as a result of accepting the recommendations within this report.

10. Consultation with Key Advisers

10.1 There has been no consultation with professional advisers in the writing of this report.

11. Alternative Options Considered

11.1 Not applicable.

12. Background Papers

12.1 None

13. Appendices

13.1 Appendix 1 – Results of the Cambridgeshire Pension Fund Committee effectiveness review.

13.2 Appendix 2 - Actions taken against the areas for improvement from the 2016/2017 review

Checklist of Key Approvals	
Is this decision included in the Business Plan?	No
Will further decisions be required? If so, please outline the timetable here	No
Is this report proposing an amendment to the budget and/or policy framework?	No
Has this report been cleared by Section 151 Officer?	Sarah Heywood – 9 May 2018
Has this report been cleared by Head of Pensions?	Mark Whitby – 1 May 2018
Has the Chairman of the Pension Committee been consulted?	Councillor Rogers – 9 May 2018
Has this report been cleared by Legal Services?	Sent to Quentin Baker/Fiona McMillan – 1 May 2018

Appendix 1 – Results of the Cambridgeshire Pension Fund Committee Effectiveness Review			
Statement	Scale	Score	Comments
I am aware that I need to disclose any conflict of interests that may arise	Strongly Agree	80%	None provided.
	Agree	20%	
I recognise my fiduciary duties to make decisions that are in the best interests of the scheme member	Strongly Agree	80%	None provided.
	Agree	20%	
I understand the role of the Fund's actuary	Strongly Agree	60%	None provided.
	Agree	40%	
I understand the role of the Fund's investment advisors	Strongly Agree	60%	None provided.
	Agree	40%	
I am familiar with the Pension Fund objectives	Strongly Agree	60%	None provided.
	Agree	20%	
	Disagree	20%	
I am able to articulate my responsibilities to the Administering Authority, participating employers and members of the Pension Fund	Strongly Agree	40%	None provided.
	Agree	60%	
Meetings are chaired effectively with all opinions being heard and consensus sought to conclude matters	Strongly Agree	40%	None provided.
	Agree	60%	
Advisors make a useful contribution to the meetings	Strongly Agree	40%	None provided.
	Agree	60%	
I would know what process to follow if I suspected a breach of the law and there is a policy in place to support this	Strongly Agree	40%	Need more training or awareness.

	Agree	20%	
	Disagree	20%	
There is sufficient level of coverage of professional advisors, such as the actuary and investment advisors	Strongly Agree	20%	None provided.
	Agree	60%	
	Neither Agree or Disagree	20%	
The Knowledge and Skills Framework adopted is adequate for achieving the required level of knowledge to enable effective contribution/decision making	Strongly Agree	20%	None provided.
	Agree	40%	
	Neither Agree or Disagree	40%	
I understand my role and obligations under the LGPS Regulations and the terms of reference for the Committee I serve on	Strongly Agree	20%	I don't think I have received TOR for the committee.
	Agree	60%	
	Disagree	20%	
The quality of reports meet the expected standard	Strongly Agree	20%	Some reports posing a question fail to articulate perceived options.
	Agree	40%	
	Neither Agree or Disagree	20%	
	Disagree	20%	
An adequate number of relevant training events and conferences are available to support learning	Agree	80%	Inevitably the dates are not always compatible with other commitments.
	Neither Agree or Disagree	20%	

Members are consulted on changes to the Fund's key documents	Agree			80%	None provided.
	Neither Disagree	Agree	or	20%	
Members are provided with sufficient information in order to make effective and timely decisions	Agree			60%	There is sufficient information, having the knowledge on how to use it is another thing.
	Neither Disagree	Agree	or	40%	
Members work effectively as a team	Agree			60%	Some sit on the fence and don't cast votes on important matters, politics at play, one very vocal member can have too much influence.
	Neither Disagree	Agree	or	20%	
	Disagree			20%	
I am satisfied that matters requiring further clarification after the meeting are dealt with in a timely manner	Agree			60%	None provided
	Neither Disagree	Agree	or	20%	
	Disagree			20%	
I am familiar with the principals of the Training Strategy	Agree			60%	None provided.
	Neither Disagree	Agree	or	20%	
	Disagree			20%	
Training items are delivered at meetings in order to enhance knowledge in a pragmatic way	Agree			60%	None provided.
	Neither Disagree	Agree	or	20%	

	Disagree	20%	
There are a sufficient number of meetings held in the financial year	Agree	60%	None provided
	Neither Agree or Disagree	20%	
	Disagree	20%	
I know where to find the Fund's key documents	Agree	60%	Need to be reminded.
	Disagree	40%	
Members are aware of the risks facing the Fund and review the risk register on a regular basis	Agree	40%	None provided.
	Neither Agree or Disagree	40%	
	Disagree	20%	
There is sufficient time allocated to agenda items to ensure sufficient discussion and informed decision making	Agree	40%	This may be the case for experienced committee members, for newer members the relevance of each item on the agenda is not particularly clear in advance of the meeting.
	Neither Agree or Disagree	40%	
	Disagree	20%	
Members are provided with good quality policies and strategies for review/approval	Agree	40%	None provided.
	Neither Agree or Disagree	40%	
	Disagree	20%	
Members are satisfied that the risks identified on the covering reports adequately identify the risks involved in taking a particular	Agree	40%	None provided.

decision	Neither Agree or	20%	
	Disagree	40%	

Appendix 2 - Actions taken against the areas for improvement from the 2016/2017 review			
Area for improvement	Concern	Proposed course of action	Course of action implemented?
Members of the Pension Committee and Investment Sub Committee are not satisfied that the risks identified on the covering reports adequately identify the risks involved in taking a particular decision.	Members of the Pension Committee and Investment Sub Committee are not given full control to make decisions.	A Risk Strategy is being presented at the March Pension Committee meeting for approval. Following this a revised risk register will be presented to the Committee for approval. The Risk Register will provide a more detailed overview of the risks the Fund faces. These risks will be identified through each Committee report whether decision making or non-decision making.	Yes -The Risk Strategy was approved at the March 2016 meeting and subsequently the risk register was approved in October 2016. There is a risk section on all reports and this is currently being developed further for 2018/19.
The Pension Fund Committee and Investment Sub Committee are not provided with sufficient information in order to make effective and timely decisions at meetings.	Reports are of excellent quality but can be too great in terms of volume. Due to the nature of some topics clearer explanation is required to fully understand the key challenges on the Fund to ensure appropriate decisions are made.	The aim of officers of the Fund is to make reports as concise as possible with the key points apparent to the reader. Policies will be streamlined over time when reviewed.	Yes -Policies and Strategies such as the Communication Strategy and Administration Strategy have been reviewed and streamlined during 2017, this will continue during the review periods of other documents. Reports continue to be kept as concise as possible.
Members of the Pension Committee and Investment Sub Committee are not able to articulate their responsibilities to the Administering Authority, participating employers and members of the Pension Fund.	Responsibilities of the Committee can be technical and therefore can be difficult to articulate to others. This is also only possible after appropriate training and experience.	The concern is accepted as the Pension Committee does not have a duty to report back to the Administering Authority, scheme members or scheme employers. However, there may come an occasion when a member of the Committee may be asked for a formal comment on their role with	Yes -The Cambridgeshire Training Strategy was adopted in December 2016 which requires members to gain 18 knowledge credits over a 2 year rolling period. The CIPFA modules are due to be rolled out in 2018/2019.

		regards to the funds stakeholders and so do need to be able to demonstrate their understanding. The CIPFA Skills and Knowledge Framework which forms part of the Knowledge Management Policy should facilitate this understanding.	
The Knowledge and Skills Framework adopted by the Pension Committee and Investment Sub Committee is not adequate for achieving the required level of knowledge to enable effective decision making.	It is felt that the Committee are not given the key decisions to make. These decisions can only be made with appropriate knowledge.	Going forward decision making reports will provide greater explanation of other options available where appropriate. The Knowledge Management Policy will be reviewed in June 2016 to ensure continued relevance.	Yes -All reports identify when a key decision is to be made and an alternative options section is added where appropriate to display to members when other options are available. The Ill Health insurance paper demonstrated various options available.
An adequate number of relevant training events and conferences are not available to support learning.	There may be lots of events and courses but not all members attend them.	Officers of the Fund will continue to promote internal and external training events when available and encourage events of particular interest.	Yes -A list of training events and conferences is listed in appendix 1 of the Governance and Legislation Report to ensure all members are reminded regularly. In addition, training of particular interest is e-mailed round to members.
There is not sufficient engagement with stakeholders by the officers on behalf of the Pension Fund Committee	It is not felt that the Committee is fully aware of current engagement with stakeholders. It would be worth asking stakeholders to establish their views.	The Communication Plan is a Key Fund Activity in the Business Plan. Business Plan update reports will detail the activity undertaken to engage with scheme employers.	Yes -The Communication Strategy (which incorporates the Plan) became effective from 1 April 2017. Updates against this plan have been included in the Business

			Plan Update reports.
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**CAMBRIDGESHIRE
PENSION FUND**



Pension Fund Committee

Date: 24 May 2018

Report by: Head of Pensions

Subject:	Revised Overpayment of Pension Policy
Purpose of the Report	That the Pension Fund Committee: <ol style="list-style-type: none"> 1. Approves the Overpayment of Pension Policy; and 2. Delegates to the Head of Pensions in consultation with the Chairman any immaterial amendments to the policy.
Recommendations	That the Committee agrees to the proposals identified in this report with regards to recovering overpayments of pension.
Enquiries to:	Name – Jo Walton, LGSS Pensions Governance and Regulations Manager E-mail – jwalton@northamptonshire.gov.uk

1. Background

- 1.1 It is important for the Fund to have a policy on how overpayments of pension are managed once identified. Such a policy will provide assurance to the Fund's stakeholders that all overpayments are treated in a fair and equitable manner and that the Fund seeks to recover overpayments and has in place steps to prevent and also investigate potential fraudulent activity.
- 1.2 An Overpayment of Pension Policy will also strengthen the Fund's position should a complaint be made using the Internal Dispute Resolution Procedure (IDRP) which if exhausted without resolution, can be referred by the scheme member or their representative to the Pensions Ombudsman. Scheme members can also seek assistance from the Pensions Advisory Service (tPAS) at any stage.

- 1.3 An Overpayment of Pensions Policy was initially agreed by the Pension Fund Committee in October 2015 and it is now deemed an appropriate time to review this policy against the information note issued by the Local Government Pensions Committee (LGPC) on overpayments of pension identified during the contracted out reconciliation exercise.
- 1.4 The principles within this information note apply equally to the overpayments identified in the pensions administration system versus pensioner payroll reconciliation that the Fund has been undertaking and any overpayments identified outside of these projects.
- 1.5 Advice has been sought from the Fund's legal advisers, Eversheds-Sutherland and the Fund's benefit and governance consultants, Aon Hewitt, to ensure that the policy is both legally appropriate and practical from a scheme administration perspective.

2. Changes to the existing Overpayment of Pension Policy

- 2.1 The intention of the revised policy remains the same as the existing policy whereby the Fund will attempt to recover all overpayments.
- 2.2 The significant changes to the revised policy are detailed in appendix 3 of this report.
- 2.3 There has been robustness added to the revised policy with increased strength of terminology and direction in the areas of recovering an overpayment, reducing the pension to the correct level and the course of action where there is no ongoing pension to recover the overpayment from. These revisions feature throughout the policy (as referenced in appendix 3) and are as below:
 - 2.3.1 Following advice from the Fund's legal advisors, the following terminology was added to strengthen the policy when referring to recovering an overpayment:

a) "unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part)"
 - 2.3.2 The period of time before which the overpaid pension is reduced to the correct level has been refined and is as follows:

b) The pension will be reduced to the correct level for the next available monthly pension payment after a 6 week notice period. The scheme member will be notified in writing of the error and the course of action to be taken.
 - 2.3.3 To take into account the cases where an overpayment has been identified after the pension is no longer in payment, for example on the cessation of eligibility to a child's pension or on the death of a scheme member, the following statement has been added to the policy:

c) Where there is no ongoing pension from which to deduct the overpaid amount, an invoice will be arranged by the Fund to recover the overpayment which is greater than £100.00 in value.

3. Next steps

- 3.1 It is the intention of LGSS Pensions to add to this policy sections on overpayments of retirement lump sums, death grants and transfer values as well as underpayments of pensions to provide assurance that any incorrect payment from the Fund has an established process for correction.
- 3.2 It is anticipated that these additional components to the policy will be presented at the October meeting of the Pension Fund Committee.
- 3.3 In addition, a flow chart is currently under construction to assist with the drafting of letters for some of the more sensitive overpayment cases that may be identified such as where an overpayment is large in comparison to the member's monthly pension or where an overpayment is unlikely to be recovered in full due to member's age.

4. Relevant Pension Fund Objectives

Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance.
Manage the Fund in a fair and equitable manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers.
Ensure the relevant stakeholders responsible for managing, governing and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge to ensure those attributes are maintained in a changing environment.
Continually monitor and measure clearly articulated objectives through business planning.
Deliver consistent plain English communications to stakeholders.
Seek and review regular feedback from all stakeholders and use the feedback appropriately to shape the administration of the Fund.
Ensure cash flows in to and out of the Fund are timely and of the correct amount.

5. Risk Implications

- a) Risk(s) associated with the proposal

Risk	Mitigation	Residual Risk
Legislation on the recovery of overpayments could potentially be misinterpreted within the policy.	Legal advice has been sought from Eversheds-Sutherland and administrative advice from Aon Hewitt.	Green

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

Risk	Risk Rating
Failure to have in place a policy on managing overpayments of pension could result in claims of discrimination if cases are not dealt with equally and with recognition to the prevailing legislation.	Green

6. Finance & Resources Implications

- 6.1 The cost of unrecoverable overpayments of pension will be ultimately met by the respective scheme employers as reflected in their individual funding positions.

7. Communication Implications

Website	The policy, once approved by the Pension Fund Committee, will be made publically available on the LGSS Pensions website,
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8. Legal Implications

- 8.1 Reference must be made to the Limitations Act and previous court cases such as Webber v Department of Education when making a claim for the repayment of overpaid pensions.

9. Consultation with Key Advisers

- 9.1 Legal advice was obtained from Eversheds-Sutherland and administrative advice from Aon Hewitt.

10. Alternative Options Considered

- 10.1 There are no alternative options to be considered.

11. Background Papers

- 11.1 LGPC information note on pensioner overpayments
<http://lgpslibrary.org/assets/gas/ew/COoverv1.0.pdf>

12. Appendices

- 12.1 Appendix 1 (Revised) Overpayment of Pension Policy (2018)
- 18.2 Appendix 2 (Current) Overpayment of Pension Policy (2015)
- 18.3 Appendix 3 Changes between the existing and revised Overpayments of Pension Policy

Checklist of Key Approvals	
Is this decision included in the Business Plan?	Not applicable
Will further decisions be required? If so, please outline the timetable here	Not applicable
Is this report proposing an amendment to the budget and/or policy framework?	No
Has this report been cleared by Head of Pensions?	Mark Whitby – 1 May 2018
Has this report been cleared by Section 151 Officer?	Sarah Heywood – 9 May 2018
Has the Chairman of the Pension Fund Committee been consulted?	Councillor Terry Rogers – 9 May 2018
Has this report been cleared by Legal Services?	Sent to Quentin Baker/Fiona McMillan – 1 May 2018

Overpayment of Pension Policy

2018

Cambridgeshire Pension Fund

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1. Introduction

- 1.1 This is the Overpayment of Pension Policy for Cambridgeshire Pension Fund, which is managed by Cambridgeshire County Council (the Administering Authority).
- 1.2 Overpayments of pension can occur for a variety of reasons. It is important that the Fund has a clear policy on how overpayments of pension are managed once they are identified.
- 1.3 Cambridgeshire Pension Fund recognises the need to take a pro-active approach to identifying potential fraudulent activity and overpayments.

2. Policy objectives

- 2.1 The policy objectives aim to ensure the Fund:
 - Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance.
 - Manage the Fund in a fair and equitable manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers.
 - Ensures benefits are paid to, and income collected from, the right people at the right time in the right amount;

- Identifies errors as soon as possible;
- Rectifies overpayments with the cooperation of the individual;
- Encourages individuals to take an active role in checking payslips/payments for obvious errors; and
- Avoids the Internal Dispute Resolution Procedure (IDRP), where possible, by managing the process effectively.

3. Purpose of the policy

3.1 The policy is designed to provide assurance to the Fund's stakeholders that:

- all overpayments are treated in a fair and equitable manner;
- the Fund seeks to recover overpayments that have occurred but acknowledges that there may be legal reasons and/or other circumstances which mean that an overpayment may not, in practice, be able to be recovered (in whole or in part); and
- has steps in place to prevent and also investigate potential fraudulent activity.

4. Effective date and reviews

4.1 This policy was first approved by the Pensions Committee on 31 July 2015 and was effective from 1 August 2015.

4.2 The policy was subject to its first review in December 2017 and became effective from [insert date].

4.3 This policy will be reviewed annually, and if necessary, more frequently to ensure it remains accurate and relevant.

5. Scope

5.1 The policy applies to:

- All members and former members, which in this policy includes survivor and pension credit members of the Cambridgeshire Pension Fund who have received one or more payments from that Fund;
- Executors of the Estates of deceased Cambridgeshire Pension Fund members
- Beneficiaries of Cambridgeshire Pension Fund members where those beneficiaries have received one or more payments from that Fund
- Administrators of the scheme; and
- The Pension Fund Committee.

6. Managing overpayments of pension on the death of a scheme member

6.1 Understandably, notification of a death of a pensioner member of the scheme does not always happen immediately and as such it is not always possible to stop payment of the pension after a point in the payroll month and so an overpayment can occur.

6.2 Should an overpayment of pension occur as a result of the death of a scheme member, the Fund will generally seek to recover overpayments that are greater than £250.00 (gross) in value unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part). A value of £250.00 or less in the instance of the death of a scheme member has been deemed by the Fund as uneconomical to pursue. In such circumstances, the Fund's approach will be that the sum written off is treated as a liability against the scheme member's former employer.

6.3 All correspondence regarding an overpayment will be handled sensitively in the initial stages due to the circumstances surrounding how the overpayment has occurred.

6.4 An invoice will be raised by the Fund to recover an overpayment which is greater than £250.00 upon the death of a scheme member.

7. Managing overpayments of children's pensions failing to cease at the appropriate time

7.1 An eligible child as defined by the LGPS Regulations 2013, is entitled to receive a pension until such a time as their circumstances change and they are no longer eligible to receive a pension from the Fund.

7.2 In these cases the individual in receipt of the pension is responsible for informing LGSS Pensions of a change in circumstances to ensure the pension is ceased at the appropriate time, failure to do so would result in an overpayment.

7.3 Should an overpayment of pension occur as a result of late notification of change of circumstances, the Fund will generally seek to recover overpayments that are greater than £100.00 (gross) in value unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part). A value of £100.00 or less has been deemed by the Fund as uneconomical to pursue. In such circumstances, the Fund's approach will be that the sum written off is treated as a liability against the scheme member's former employer.

7.4 An invoice will be raised by the Fund to recover the overpayment which is greater than £100.00 as a result of the late notification of the change in circumstances. The invoice will be sent to the individual whose bank account the child's pension was being paid into.

8. Managing overpayments of pension following incorrect information supplied by the employer in respect of the scheme member

- 8.1 Should an overpayment of pension occur as a result of inaccurate information provided by the scheme member's employer on retirement, the Fund will generally seek to recover monies that are greater than £100.00 in value unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part). A value of £100.00 (gross) or less has been deemed by the Fund uneconomical to pursue due to the administrative time involved.
- 8.2 Overpayments that are greater than £100.00 in value will be recovered through the scheme member's ongoing pension as this allows for the appropriate adjustment for tax. The pension will be reduced to the correct level for the next available monthly pension payment after a 6 week notice period. The scheme member will be notified in writing of the error and the course of action to be taken.
- 8.3 Where there is no ongoing pension from which to deduct the overpaid amount, an invoice will be arranged by the Fund to recover the overpayment which is greater than £100.00 in value.
- 9. Managing overpayments of pension as a result of the incorrect rate of pension paid by the Fund and the member can be said to be reasonably aware of the overpayment.**
- 9.1 There are a number of reasons why a pension could be paid at an incorrect higher rate. The most common reasons are detailed in the table below but it should be noted that this is not an exhaustive list.

	Type of overpayment	How overpayment has occurred
1	Administration error upon creation of payroll record	Incorrect (overstated) rate of pension inputted onto payroll record but member informed in writing of the correct rate of pension to be paid.
2	Re-employment where abatement affects rate of pension due	Re-employment not notified and within the terms of the Administering Authority policy on the exercise of their discretion relating to abatement, the member's annual pension should have been reduced or suspended due to the level of earnings in the new employment. Identified through NFI exercise or other means.
3	Entitlement to pension ceasing	Non notification that a child's pension is no longer payable as the child aged 18 or above is no longer in full time education or vocational training.
4	Entitlement to current rate of pension ceasing	A Pension Sharing Order or Earmarking Order being received after the implementation date meaning that the pension has been overpaid since that implementation date.
5	Failure to action an alteration to the payroll record/reduction in pension	Failing to implement the change from the higher short term dependents pension to the lower long term rate.
6	Failure to action an alteration to the payroll record/reduction in pension	Failing to implement a reduction to a pension as a result of National Insurance Modification (at State Pension Age for those members who both left the

	LGPS before 1 April 1998 and had membership before 1 April 1980).
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- 9.2 If the scheme member has been notified of the correct rate of pension in writing and is receiving a higher amount, it can be said that the member can reasonably be aware that they are being over paid as the scheme member has been notified of the correct rate in writing.
- 9.3 The Fund will therefore generally seek to recover monies that are greater than £100.00 gross in value unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part). A value of £100.00 or less has been deemed by the Fund as uneconomical to pursue due to the administrative time involved.
- 9.4 The amount will be recovered from the scheme member's ongoing pension as this allows for the appropriate adjustment for tax. The pension will also be reduced to the correct level for the next available monthly pension payment after a 6 week notice period. and will be notified in writing of the error and the course of action to be taken.
- 9.5 Where there is no ongoing pension from which to deduct the overpaid amount, an invoice will be arranged by the Fund to recover the overpayment which is greater than £100.00 in value.

10. Managing overpayments of pension following an incorrect rate of pension being paid by the Fund and it can be said that the member cannot have known of the overpayment

- 10.1 The table below illustrates how an overpayment of a member's pension can occur without the member being aware. It should be noted that the table below is not an exhaustive list;

	Type of overpayment	How overpayment has occurred
1	Administration error upon calculation and notification of benefit entitlement (includes dependants' pensions)	Incorrect (overstated) rate of pension inputted onto payroll record and member informed in writing of the, incorrect, rate of pension to be paid.
2	Incorrect level of Guaranteed Minimum Pension (GMP) being paid	New information from HMRC leads to a revised rate of GMP to be used which, due to the different way cost of living increases are applied to GMP and the excess over GMP, means that, overall, a lower level of pensions increase should have been paid.
3	Pensions Increase	Pensions Increase inaccurately applied to the elements of a pension in payment.

- 10.2 In these circumstances the Fund will generally seek to recover monies that are greater than £100.00 gross in value unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole

or in part). A value of £100.00 or less has been deemed by the Fund as uneconomical to pursue due to the administrative time involved.

- 10.3 The amount will be recovered from the scheme member's ongoing pension as this allows for the appropriate adjustment for tax. The pension will also be reduced to the correct level for the next available monthly pension payment after a 6 week notice period. The scheme member will be notified in writing of the error and the course of action to be taken.
- 10.4 Where there is no ongoing pension from which to deduct the overpaid amount, an invoice will be arranged by the Fund to recover the overpayment which is greater than £100.00 in value.

11. Discretion to write off overpayments

- 11.1 For all scenarios mentioned above, Officers have the ability to exercise discretion in the event of legal reasons and/or exceptional circumstances and to ensure no individual is unfairly treated. If the pursuing recovery of an overpayment was to cause significant distress and/or if there are legal reasons as to why the overpayment may not be recovered (in whole or in part) this would be taken into account as would the cost effectiveness of recovery. All applications made to write off of an overpayment will be investigated on a case by case basis and final decision will be made by the appropriate officer listed in section 16 dependent upon the amount potentially being written off.
- 11.2 The Cambridgeshire Pension Fund has discretion to write off any amount under £250.00 in line with HM Revenue and Customs authorised payments limits and the analysis of the cost effectiveness of pursuing the claim conducted by the Fund.

12. Recovery

- 12.1 The Limitation Act 1980 states that "*An action founded on simple contract shall not be brought after the expiration of six years from the date on which the cause of action accrued*". However, section 32(1) of the Act effectively 'postpones' the date by which an administering authority may make a claim to recover monies in certain circumstances. It states "*the period of limitation shall not begin to run until the plaintiff has discovered the fraud, concealment or mistake (as the case may be) or could with reasonable diligence have discovered it*". The potential effect of section 32(1) in relation to any overpayment and its recovery will be considered on a case-by-case basis.
- 12.2 Therefore the Fund will generally seek to recover overpayments **that have been discovered within the last 6 years** with the relevant postponement applied if applicable in line with the Limitation Act unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part).
- 12.3 Examples of limitation periods and how they operate in relation to overpayments are included in appendix 1 of this policy.
- 12.4 It should be borne in mind that where the Fund seeks to recover overpayments, there may be arguments raised as to why the overpayment should not be recovered (in whole or in

part). These will need to be considered on a case-by-case basis and, if successful, may affect the ability of the Fund to recover the overpayment (in whole or in part).

13. Length of time to recover overpayment

- 13.1 The Fund will allow a pension overpayment to be recovered over the same amount of time as the overpayment occurred. For example, if overpayments were made for a 3 month period, the recovery period to repay the overpayment will be 3 months. In the event that reasonable arguments are advanced that the recovery period should be extended, the Fund can at its discretion allow an extension based on the individual's circumstances; such an extension would generally not exceed a further 50% of the period in which the overpayment occurred with scope for this period to be extended based on the scheme member's circumstances.

14. Claims of inability to repay overpayments

- 14.1 In cases where it is claimed that an overpayment cannot be repaid officers of the Fund will enter into negotiations with the scheme member/next of kin and an analysis of the cost effectiveness of pursuing the overpayment will be undertaken on a case-by-case basis. For large overpayments, where appropriate the Fund will seek legal advice. This approach will reduce the number of Internal Dispute Resolution Procedures applications and referrals to the Pensions Ombudsman. For any cases that do reach the Pensions Ombudsman, Cambridgeshire Pension Fund would have demonstrated engagement and negotiation with the complainant.

15. Monitoring repayments

- 15.1 In cases where recovery is not being made through the payroll and an invoice has been raised, the responsibility for chasing the payment rests with the LGSS Debt Recovery Team. If a final reminder is issued, officers are notified and a decision is made by the Head of Pensions as to whether to take legal action, taking into consideration the amount and circumstances against the potential of legal action.

16. Authority to write off overpayments

- 16.1 In line with the County Council's Scheme of Delegation, the Fund will apply the following levels of authority when writing off overpayments:

Total value of overpayment*/**	Authority to write off overpayment
No more than £250.00 (gross) on death of a pensioner No more than £100.00 (gross) on any other overpayment type	Automatic write off
Up to no more than £5,000.00 (gross)	Head of Pensions (in the absence of the Head of Pensions authority will move to the Director of Finance)
Up to no more than £24,999.99 (gross)	Cambridgeshire County Council Section 151 Officer
£25,000.00+ (gross)	Cambridgeshire Pension Fund Pension Committee
* The value of overpayment occurring within the last 6 years or appropriate period if postponement has been applied.	
** Subject to a full evidence based report produced by Officers of the Fund	

17. Reporting to the HM Revenue and Customs and effects on the Fund and individual

- 17.1 Administering authorities are obliged to correct any error they discover within a reasonable period of time. To do otherwise would render payments unauthorised under Section 14 of the Registered Pension Scheme (Authorised Payments) Regulations 2009. The HM Revenue and Customs have a clear steer with regards to timing, in so much that *“When a scheme discovers an overpayment it immediately becomes unauthorised and is subject to an unauthorised tax charge”*.
- 17.2 Regulation 13 says that a payment made in error will be an unauthorised payment if the:
- Payment was genuinely intended to represent the pension payable to the person;
 - Administering authority believed the recipient was entitled to the payment and;
 - Administering authority believed the recipient was entitled to the amount of pension that was paid in error.
- 17.3 In addition to the above, there is a further exemption where the overpayment is a ‘genuine error’ and the aggregate overpayment (paid after 5th April 2006) is less than £250. In such circumstances, if the overpayment is not recovered it remains an unauthorised payment but it does not have to be reported to HM Revenue and Customs and HM Revenue and Customs will not seek to collect tax charges on it.
- 17.4 Examples of HM Revenue and Customs ‘genuine errors’ are in appendix 2 of this policy.
- 17.5 The Finance Act 2004 also sets out a list of the payments which a registered pension scheme is authorised to make to members. Payments which do not fall within the list will become unauthorised payments and could result in up to three tax charges applying: 1) an authorised payments charge on the recipient of the payment; 2) an unauthorised payments surcharge on that recipient; and 3) a scheme sanction charge on the scheme.

17.6 Payments made in the period between notifying the member of an overpayment and the point at which the correction to the right level of pension is made will be regarded under the above legislation as an unauthorised payment. If the total amount of pension paid at the incorrect rate from point of notification to date of reduction to the correct rate is greater than £250 (gross) it would be subject to tax charges 1) and 3) and possibly 2 as set out in section 17.5.

18. Prevention

18.1 The Fund has in place processes in order to minimise the risk of overpayments occurring.

18.2 The National Fraud Initiative is conducted every two years; it compares files of pensioners with the Department for Work and Pensions database of the deceased and highlights matches for investigation. Cambridgeshire Pension Fund actively participates in this initiative.

18.3 Cambridgeshire Pension Fund participates in overseas life existence checks to ensure only legitimate pensions are being paid and to reduce the likelihood of fraudulent activity.

18.4 A report is run periodically on the pension administration system to identify individuals in receipt of a child's pension, further investigations are then carried out for children that are identified as over the age of 18 to ensure they are still entitled to receive a pension.

18.5 Cambridgeshire Pension Fund includes reminders in its correspondence that the Fund must be advised of changes in circumstances or the death of a scheme member. The Fund also investigates any returned pensioner payslips and pension payments returned by banks and building societies to ensure the welfare of the scheme member and to protect payment of the Fund's money.

18.6 Fund officers have a robust system in place for identifying changes to the payroll that need to be processed for a particular payroll month. The process incorporates payroll deadlines and ensures changes are made in a correct and timely manner. This would be in circumstances such as a change from a short term dependant's pension to a long term pension.

Appendix 1 – Limitation Period Examples

Scenario	Limitation Period	Overpayment Period which can be claimed*
<ul style="list-style-type: none"> • Overpayments began in April 2008 (the first Mistake Date) • Overpayments discovered, or could have been discovered with reasonable due diligence, in August 2010 (the Discovery Date under Section 32 of the Limitation Act 1980) • Overpayments made for period between April 2008 and August 2010 • Formal claim** for recovery made in January 2015 (the Cut Off Date as referred to in <i>Webber v Department for Education</i>) 	<ul style="list-style-type: none"> • No issues in principle with the Limitation Period as formal claim for recovery commenced within 6 year period after the Discovery Date • Claims are therefore valid and should proceed 	<ul style="list-style-type: none"> • Overpayments back to when they began in April 2008 until August 2010 may be claimed
<ul style="list-style-type: none"> • Overpayments began in April 2003 (the first Mistake Date) • Overpayments discovered, or could have been discovered with reasonable due diligence, in November 2009 (the Discovery Date under Section 32 of the Limitation Act 1980) • Overpayments made from April 2003 to November 2009 • Formal claim for recovery made in December 2011 (the Cut Off Date as referred to in <i>Webber</i>) 	<ul style="list-style-type: none"> • No issues in principle with the Limitation Period as formal claim for recovery commenced within 6 year period after the Discovery Date • Claims are therefore valid and should proceed 	<ul style="list-style-type: none"> • Overpayments back to when they began in April 2003 until November 2009 may be claimed
<ul style="list-style-type: none"> • Overpayments began in January 1999 (the first Mistake Date) • Overpayments discovered or could have been discovered with reasonable due diligence in September 2016 (when the date was received from HM Treasury in relation to the GMP equalisation exercise) (the Discovery Date under Section 32 of the Limitation Act 1980) • Overpayments made for the period from January 1999 to September 2016 • Formal claim for recovery made in February 2017 (the Cut Off Date as referred to in <i>Webber</i>) 	<ul style="list-style-type: none"> • No issues in principle with the Limitation Period as formal claim for recovery commenced within 6 year period after the Discovery Date • Claims are therefore valid and should proceed 	<ul style="list-style-type: none"> • Overpayments back to when they began in January 1999 until September 2016 may be claimed

Scenario	Limitation Period	Overpayment Period which can be claimed*
<ul style="list-style-type: none"> • Overpayments began in April 2006 (the first Mistake Date) • Overpayments discovered, or could have been discovered with reasonable due diligence, in August 2009 (the Discovery Date under Section 32 of the Limitation Act 1980) • Overpayments made for period between April 2006 and August 2009 • Formal claim for recovery made in January 2017 (the Cut Off Date as referred to in <i>Webber</i>) 	<ul style="list-style-type: none"> • Issue with the Limitation Period as formal claim for recovery commenced more than 6 years after the Discovery Date • Claims are therefore out of time and should not proceed 	<ul style="list-style-type: none"> • Overpayments cannot be claimed back as the formal claim for recovery was made more than 6 years after the Discovery Date
<ul style="list-style-type: none"> • Overpayments began in April 2006 (the first Mistake Date) • Overpayments discovered, or could have been discovered with reasonable due diligence, in August 2009 (the Discovery Date under Section 32 of the Limitation Act 1980) • Overpayments made for period between April 2006 and August 2016 • Formal claim for recovery made in January 2017 (the Cut Off Date as referred to in <i>Webber</i>) 	<ul style="list-style-type: none"> • Issue with the Limitation Period as formal claim for recovery commenced more than 6 years after the Discovery Date • Claims for overpayments between April 2006 and January 2011 are therefore out of time and should not proceed • However, as each monthly overpayment is a separate overpayment, the effect of the <i>Webber</i> case is that overpayments made in the 6 years prior to the Cut Off Date (i.e. the overpayments made in February 2011 to August 2016) can be recovered 	<ul style="list-style-type: none"> • Overpayments for the period April 2006 to January 2011 cannot be claimed back as the formal claim for recovery was made more than 6 years after the Discovery Date • Overpayments for the period February 2011 to August 2016 may be reclaimed.

* while this refers to the period which can be claimed, this is not the same as the period which will definitely be recovered in light of the other defences which are available to scheme members who face such claims for repayments of overpayment.

** reference to formal claim in this appendix means the commencement of formal proceedings to recover the overpayment.

Appendix 2 - Examples of HM Revenue and Customs 'genuine errors'

Genuine error - example 1

Apart from the case of pensions continuing under a 'term certain' guarantee, pensions are supposed to stop accruing on the death of the pensioner. If payments that accrued inappropriately after the death continue to be made, they will be unauthorised unless they fall within the limited conditions of regulation 15 of The Registered Pension Schemes (Authorised Payments) Regulations. The main feature of those conditions is that instalments can be paid within 6 months of the member's death providing the payer was reasonably unaware the pensioner had died.

Clearly then, once the 6 month time limit has passed, the tax rules will regard any future instalments as unauthorised member payments, and the fact the payer might remain unaware of the member's death does not change the essential character of any payment made. When the death comes to light the payer can see that the payments made more than 6 months after death were made in error.

Genuine error - example 2

The tax rules normally require that a pension being paid to a dependent who is child of a deceased member must stop when the recipient reaches age 23. If the recipient does not qualify for any of the exceptions that would allow for the continuation of their pension after that time, for example because of a disability, then the payer must make adequate arrangements to stop the pension in time. To this end they may give a clear and timely warning to the bank to stop payments from the necessary date but it can happen that the bank fails to act on those instructions and payments continue to be made in error.

In both of these examples, if the error was spotted and rectified (pension overpayments were repaid) as soon as reasonably possible, the inadvertent pension instalments (in the case of Example 1, only in respect of the instalments paid after the 6 month limit where the conditions otherwise apply) would not be unauthorised member payments.

However, there would be an unauthorised member payment if, despite the error being spotted, it is decided the repayment of the inadvertently overpaid pension instalments will not be pursued or the scheme does attempt recovery (in the case of Example 1, only in respect of the instalments paid after the 6 month limit where the conditions otherwise apply) but is unsuccessful and eventually decides to write off the overpayment (even though the decision might be taken on administration costs grounds or out of sensitivity). The exception to this will be if - as may often be the case - one of the categories of authorised payments introduced by the Registered Pension Schemes (Authorised Payments) Regulations 2009 can then be looked to in relation to payments made in genuine error but left in place.

The date of the unauthorised payment for the purpose of having to make a report of that payment would be the date that the decision is made not to seek recovery of the overpayment or the date the decision is taken to no longer seek recovery of the overpayment, as the case may be. Where the overpayment is not pursued or, otherwise, not successfully pursued and the total of such overpaid pension instalments paid after 5 April 2006 (overpaid instalments paid before 6 April 2006 do not count for this purpose) to, or in respect of, a particular member does not exceed £250:

- for its own reasons of cost administration, under its Collection and Management powers, HM Revenue & Customs will not seek to collect the tax that, in strictness, is due in respect of the unauthorised payment (although the payment remains an unauthorised payment), and
- the scheme administrator does not have to report the unauthorised payment to HM Revenue & Customs, and
- the unauthorised payment does not have to be returned on the recipient's Self-Assessment tax return or, otherwise, be notified to HM Revenue & Customs.

If the aggregate overpayment exceeds £250, then all of the overpayment is chargeable as an unauthorised payment (i.e. one cannot deduct £250 as if it were an allowance, which it is not).

For this purpose, the £250 threshold applies to the aggregate of the overpayments actually received by, or in respect of, the member.

Where the conditions would otherwise apply in respect of pension instalments paid later than 6 months after the death of a pensioner except that the pension instalments have been paid later than 6 months after the pensioner's death, the £250 threshold applies in respect of the aggregate of the pension instalments paid after the expiry of the 6 month time limit only. The pension instalments paid up to the 6 month time limit would not be.

Overpayment of lump sums

The conditions described above apply equally where an overpayment of a lump sum occurs, such as a pension commencement lump sum or serious ill-health lump sum. So the limit of £250 will apply, but any lump sum in excess of that amount, where recovery cannot be made, will be an unauthorised payment to the extent that the amount is not an authorised payment.

For example, a pension commencement lump sum of £100,000 is due to be paid under the scheme rules, but £105,000 is paid in error. The scheme administrator is unable to affect a recovery of the excess. Under the tax rules, the pension commencement lump sum of £100,000 is the

permitted maximum, so the whole excess of £5,000 is an unauthorised payment (i.e. one cannot deduct £250 as if it were an allowance, which it is not).

Note that a payment of a lump that is intended to be a pension commencement lump sum but ends up exceeding the permitted maximum may still be an authorised member payment if certain conditions are met.

Example

A pension commencement lump sum must be paid within an 18 month period starting 6 months before and ending 12 months after the member becomes entitled to the lump sum and linked pension. However, due to an error within the administration department of the pension scheme, the lump sum payment is not made by that deadline. If the lump sum is paid after the deadline it will not be a pension commencement lump sum and (unless it falls within the definition of one of the other authorised lump sums) will be an unauthorised member payment.

*Overpayment of Pension
Policy*

2015

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1. Introduction

1.1 This is the Overpayment of Pension Policy for Cambridgeshire Pension Fund, which is managed by Cambridgeshire County Council (the Administering Authority). The administration of the Fund is carried out by the LGSS Pensions Service which incorporates administration for both the Cambridgeshire Pension Fund and Northamptonshire Pension Fund.

Overpayments of pension can occur for a variety of reasons. It is important that the Fund has a clear policy on how overpayments of pension are managed once they are identified.

Cambridgeshire Pension Fund recognises the need to take a pro-active approach to identifying potential fraudulent activity and overpayments.

2. Policy Objectives

2.1 The Policy objectives aim to ensure the Fund:

- Provides a high quality, friendly and informative administration service to the Funds' stakeholders;
- Administers the Fund in a cost effective and efficient manner utilising technology;
- Ensures it and it's 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;
- Puts in place standards for the Fund and its employers and ensure these standards are monitored and developed as necessary;
- Ensures benefits are paid to, and income collected from, the right people at the right time in the right amount;
- Maintains accurate records and ensure data is protected and has authorised use only;
- Identifies errors as soon as possible;
- Rectifies overpayments with the cooperation of the individual;
- Encourages individuals to take an active role in checking payslips/payments for obvious errors; and
- Avoids the Internal Dispute Resolution Procedure (IDRP), where possible, by managing the process effectively.

3. Purpose of the policy

3.1 The policy is designed to provide assurance to the Fund's stakeholders that;

- all overpayments are treated in a fair and equitable manner;
- the Fund seeks to recover overpayments that have occurred;
- and has steps in place to prevent and also investigate potential fraudulent activity.
-

4. Effective date

4.1 This policy was approved by the Pensions Committee on 22 October 2015 and effective from 23 October 2015.

5. Review

5.1 This policy will be reviewed annually and updated as necessary. Updates will be approved by the Pensions Committee and published as a public document following approval.

6. Scope

6.1 The policy applies to:

- All members of the Cambridgeshire Pension Fund in receipt of a pension;
- Executors of the Estates of Cambridgeshire Pension Fund members;
- Administrators of the scheme; and
- The Pension Fund Committee.

7. Managing overpayments of pension on the death of a scheme member

7.1 Understandably, notification of a death of a pensioner member of the scheme does not always happen immediately and as such it is not always possible to stop payment of the pension after a point in the payroll month and so an overpayment can occur.

7.2 Should an overpayment of pension occur as a result of the death of a scheme member, the Fund will seek recover overpayments that are greater than £250.00 in value. A value of £250.00 or less in the instance of the death of a scheme member has been deemed uneconomical to pursue. The sum written off is treated as a liability against the scheme member's former employer.

7.3 All correspondence regarding an overpayment will be handled sensitively in the initial stages due to the circumstances surrounding how the overpayment has occurred.

4.

8. Managing overpayments of pension following incorrect information supplied by the employer in respect of the scheme member

8.1 Should an overpayment of pension occur as a result of inaccurate information provided by the scheme member's employer on retirement the Fund will seek to recover monies through the scheme member's ongoing pension, this allows for the appropriate adjustment for tax. The pension will be reduced to the correct level for the next monthly pension to avoid further overpayment; the member will be notified in writing.

9. Managing overpayments of pension as a result of the incorrect rate of pension paid by the Fund and the member can be said to be reasonably be aware of the overpayment

9.1 There are a number of reasons why a pension could be paid at an incorrect higher rate as detailed in the table below;

	Type of overpayment	How overpayment has occurred
1	Administration error upon creation of payroll record	Incorrect (overstated) rate of pension inputted onto payroll record but member informed in writing of the correct rate of pension to be paid.
2	Re-employment where abatement affects rate of pension due	Re-employment not notified and within the terms of the Administering Authority policy on the exercise of their discretion relating to abatement, the member's annual pension should have been reduced or suspended due to the level of earnings in the new employment. Identified through NFI exercise or other means.
3	Entitlement to pension ceasing	Non notification that a child's pension is no longer payable as the child aged 18 or above is no longer in full time education or vocational training.
4	Entitlement to current rate of pension ceasing	A Pension Sharing Order or Earmarking Order being received after the implementation date meaning that the pension has been overpaid since that implementation date.
5	Failure to action an alteration to the payroll record /reduction in pension	Failing to implement the change from the higher short term dependents pension to the lower long term rate.
6	Failure to action an alteration to the payroll record/reduction in pension	Failing to implement a reduction to a pension as a result of National Insurance Modification (at State Pension Age for those members who both left the LGPS before 1 April 1998 and had membership before 1 April 1980).

5.

9.2 If the Scheme member has been notified of the correct rate of pension in writing, it can be said that the member can reasonably be aware that they are being over paid as the scheme member has been notified of the correct rate in writing.

9.3 The Fund will therefore seek to recover the total value of the overpayment, with this being recovered from the Scheme member's ongoing pension. The pension will also be reduced to the correct level for the next monthly pension payment. The member will be notified in writing of the error and the course of action to be taken. Where there is no ongoing pension from which to deduct the overpaid amount, an invoice will be arranged to recover the overpayment.

10. Managing overpayments of pension following an incorrect rate of pension being paid by the Fund and it can be said that the member cannot have known of the overpayment

10.1 The table below illustrates how an overpayment of a member's pension can occur without the member being aware;

	Type of overpayment	How overpayment has occurred
1	Administration error upon calculation and notification of benefit entitlement (includes dependants' pensions).	Incorrect (overstated) rate of pension inputted onto payroll record and member informed in writing of the, incorrect, rate of pension to be paid.
2	Incorrect level of Guaranteed Minimum Pension (GMP) being paid	New information from HMRC leads to a revised rate of GMP to be used which, due to the different way cost of living increases are applied to GMP and the excess over GMP, means that, overall, a lower level of pensions increase should have been paid.
3	Pensions Increase	Pensions Increase inaccurately applied to the elements of a pension in payment.

10.2 In these circumstances the Fund will seek to recover the total value of the overpayment through the Scheme member's ongoing pension. The pension will be reduced to the correct level for the next monthly pension to avoid further overpayment and the member will be notified in writing a minimum of 2 weeks prior to this.

11. Recovery period

11.1 The Fund will seek to recover overpayments that have occurred within the last 6 tax years plus the current tax year or all of the overpayment period if shorter. Therefore overpayments that have occurred outside of this period will have the appropriate proportion written off.

12. Length of time to recover overpayment

12.1 The Fund will allow a pension overpayment to be recovered over the same amount of time as the overpayment occurred. Upon challenge the Fund can allow this to be extended by a further 50% of the time period in which the overpayment occurred.

13. Scheme member is unable to return overpayment

13.1 In cases where a Scheme member is unable to return the overpayment officers of the Fund will enter into negotiations with the scheme member, where appropriate the Fund will seek expert legal advice. This approach will reduce the number of Internal Disputes and referral to the Pensions Ombudsman. For any cases that do reach the Pensions Ombudsman, Cambridgeshire Pension Fund would have demonstrated engagement and negotiation with the individual.

14. Scheme member refuses to engage in any correspondence with regards to overpayment

14.1 In cases where the Scheme member refuses to engage in any correspondence the Fund will suspend the pension after three written attempts of contact within three months. This should prompt the member to get in touch and allow for discussions to take place, where appropriate the Fund will seek expert legal advice.

15. Monitoring repayments

15.1 In cases where recovery is not being made through the payroll and an invoice has been raised, the responsibility for chasing the payment rests with the LGSS Debt Recovery Team. If a final reminder is issued, officers are notified and a decision is made by the Deputy Head of Pensions as to whether to take legal action, taking into consideration the amount and circumstances against the perusal of legal action.

16. Authority to write off overpayments

16.1 In line with the County Council's Scheme of Delegation, the Fund will apply the following levels of authority when writing off overpayments –

Total value of overpayment*/**	Authority to write off overpayment
No more than £250.00 on death of a pensioner	Automatic write off
Up to no more than - £3,000.00 (includes overpayments on the death of a pensioner that are greater than £250.00 up to no more than £3,000.00)	Deputy Head of Pensions (in the absence of the Deputy Head of Pensions authority will move to the Chief Finance Officer)
£3,000.01 to no more than £10,000.00	Chief Finance Officer
£10,000.01 to no more than £25,000.00	Chief Finance Officer in consultation with the Chairman/woman of the Pension Fund Committee
£25,000.01+	Pension Fund Committee
*The value of overpayment occurring within the last 6 full tax years plus current tax year	
** Subject to a full evidence based report produced by Officers of the Fund	

17. Reporting to the HMRC and effects on the Fund and individual

17.1 The Finance Act 2004 sets out a list of the payments which a registered pension scheme is authorised to make to members. Payments which do not fall within the list will become unauthorised payments and could result in three tax charges applying: 1) an authorised payments charge on the recipient of the payment; 2) an unauthorised payments surcharge on that recipient; and 3) a scheme sanction charge on the scheme.

17.2 Cambridgeshire Pension Fund recognises that for some overpayments engagement with Her Majesty's Revenue and Customs will be required and these will be treated on a case by case basis.

18. Prevention

18.1 The Fund has in place processes in order to minimise the risk of overpayments occurring.

18.2 The Tell Us Once service has been adopted whereby deaths are notified through a central system accessible by the Fund. This increases the notification of the death of scheme members and therefore minimises potential overpayments.

18.3 The National Fraud Initiative is conducted by the Audit Commission every two years; it compares files of pensioners and deferred members with the Department for Work and Pensions database of the deceased and highlights matches for investigation. Cambridgeshire Pension Fund actively participates in this initiative.

18.4 Cambridgeshire Pension Fund includes reminders in its correspondence that the Fund must be advised of changes in circumstances or the death of a scheme member.. The Fund also investigates any returned pensioner payslips and pension payments returned by banks and building societies to ensure that the welfare of the scheme member and to protect payment of the Fund's money.

18.5 Fund officers have a robust system in place for identifying changes to the payroll that need to be processed for a particular payroll month. The process incorporates payroll deadlines and ensures changes are made in a correct timely manner. This would be in circumstances such as a change from a short term dependant's pension to a long term pension.

Appendix 3 – Changes between the existing and revised Overpayments of Pension Policy

Section of policy	Section in previous policy	Section in revised policy	Change
Policy objectives	2	2	Policy objectives refined in line with the Fund's current objectives
Scope	6	5	Scope of the policy has been widened to include beneficiaries and more detailed definition of "scheme member".
Managing overpayments on the death of a scheme member	7	6	Clarification that the value is £250.00 gross not net.
Managing overpayments of children's pensions failing to cease at the appropriate time	New section	7	The Fund will generally seek to recover overpayments that are greater than £100.00 (gross) in value.
Managing overpayments of pension following incorrect information supplied by the employer in respect of the scheme member	8	8*	Insertion of overpayment values of greater than £100.00 gross to be recovered (previously it was the whole value). Addition of 8.3 (see c)
Managing overpayments of pension as a result of the incorrect rate of pension paid by the Fund and the member can be said to be reasonably aware of the overpayment.	9	9	Insertion of overpayment values of greater than £100.00 gross to be recovered (previously it was the whole value). Removal of 9.4. Insertion of 9.5 (see c)
Managing overpayments of pension following an incorrect rate of pension being paid by the Fund and it can be said that the member cannot have known of the overpayment	9	10	Removal of 10.3. Insertion of 10.4 (see c)
Discretion to write off overpayments / Authority to write off overpayments	New section /16	11/16	Insertion of a) in 11.1. Section 16 of the previous policy has been updated and reflected in sections 11 and 16 of the revised policy. The Section 151 Officer has approved the write off authorisation levels as detailed in 16.1 which are in line with that of Cambridgeshire County Council.

Section of policy	Section in previous policy	Section in revised policy	Change
Recovery (how much of the overpayment can be recovered).	11	12	Insertion of a) in 12.1. Sections of the policy have been updated with reference to the Limitation Act 1980 which provides for overpayments to be recovered in full providing they have been discovered within the last 6 years but in line with section 32(1) of the Act, each overpayment must be considered on a case-by-case basis.
Length of time to recover overpayment	12	13	Addition of further scope to extend the recovery period beyond an additional 50% of the time period in which the overpayment occurred.
Scheme member refuses to engage in any correspondence with regards to the overpayment	14	N/A – removed	The intended approach is to reduce the pension to the correct rate and start recovery, as per b) without seeking authorisation from the scheme member or their representative.
Reporting to the HM Revenue and Customs and effects on the Fund and individual	17	17	Increased detail on how an unauthorised payment can occur and the potential effect on the member during the notification period before their pension is reduced to the correct rate.

**CAMBRIDGESHIRE
PENSION FUND**



Pension Committee

Date: 24 May 2018

Report by: Head of Pensions

Subject:	Employer Admissions and Cessations Report
Purpose of the Report	<ol style="list-style-type: none"> 1. To report the admission of one admission body to the Cambridgeshire Pension fund. 2. To report the admission of one academy trust to the Cambridgeshire Pension fund.
Recommendations	<p>That the Pension Committee</p> <ol style="list-style-type: none"> 1. Approves the admission of the following admission body to the Cambridgeshire Pension Fund: <ul style="list-style-type: none"> • Family Psychology Mutual 2. Notes the admission of the following Multi Academy Trust to the Cambridgeshire Pension Fund: <ul style="list-style-type: none"> • Peterborough Keys Academies Trust
Enquiries to:	<p>Name – Mark Whitby, Head of LGSS Pensions E-mail – mwhitby@northamptonshire.gov.uk</p>

1. Background

- 1.1. The Local Government Pension Scheme Regulations 2013 (as amended) [the Regulations] provide for the admission of a number of different types of body to the Local Government Pension Scheme; scheduled bodies, designating bodies, and admission bodies.
- 1.2. This report provides an update on admissions to the Cambridgeshire Pension Fund since the last meeting of the Pension Committee.

2 New Admission Bodies

- 2.1 Paragraph 1 of Part 3 of Schedule 2 to the Regulations provides for an Administering Authority making an admission agreement with an admission body, enabling employees of the admission body to be active members of the Local Government Pension Scheme.
- 2.2 A body which falls under paragraph 1(a) of Part 3 of Schedule 2 is an admission body which provides a public service in the United Kingdom which operates otherwise than for the purposes of gain and has sufficient links with a Scheme employer for the body and the Scheme employer to be regarded as having a community of interest (whether because the operations of the body are dependent on the operations of the Scheme employer or otherwise).
- 2.3 The Pension Committee is asked to approve the admission of the following body into the Cambridgeshire Pension Fund under paragraph 1(a)

Date	New Admission Body	Background information
01/02/2018	Family Psychology Mutual	Cambridgeshire County Council has set up its Mutual Systemic Therapy service as a stand-alone company known as Family Psychology Mutual. As a result, the group of staff working within the service were transferred to the Company, under TUPE regulations. Cambridgeshire County Council has agreed to act as guarantor of last resort, for this employer.

3. New Scheduled Bodies

- 3.1 Regulation 3 (1) of the Regulations provides for a person employed by a body listed in Schedule 2 to be an active member of the Local Government Pension Scheme. Part 1 of Schedule 2 includes "a proprietor of an Academy" as being a class of Schedule 2 employer and therefore a Scheduled Body. There is no discretion on the administering authority or the employer as to whether or not employers in Schedule 2 are provided with access to the Fund; it is a requirement.
- 3.2 The LGPS Regulations recognise the proprietor of the Academy as the scheme employer. Where Academies are part of a Multi Academy Trust (MAT), the Trust is the scheme employer and not each individual Academy. Academies joining an existing MAT are not reported as they are therefore not recognised as new scheme employers.

Date of admission	Academy Trust	Name of Academies transferring
01/04/2018	Peterborough Keys Academies Trust	Ravensthorpe Primary Thorpe Primary Jack Hunt Primary Longthorpe Primary Middleton Primary

- 3.3 Actuarial advice has been sought on appropriate employer contribution rates from the fund actuary and these will be advised to the new Academy proprietors.

4. Relevant Pension Fund Objectives

Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance. <i>Objective 1</i>
Manage the Fund in a fair and equitable manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers. <i>Objective 2</i>
Ensure the relevant stakeholders responsible for managing, governing and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge to ensure those attributes are maintained in a changing environment. <i>Objective 3</i>
Continually monitor and manage risk, ensuring the relevant stakeholders are able to mitigate risk where appropriate. <i>Objective 5</i>

5. Finance & Resources Implications

- 5.1 Actuarial costs incurred by obtaining a calculation of employer contribution rates, bond levels and funding positions at commencement are recharged directly to the relevant employer.
- 5.2 The employer contribution rates contain an allowance for administration charges, meaning the new admissions should be cost neutral.
- 5.3 Employers who are unable to pay monies due during the course of active membership may result in unpaid liabilities being borne by other employers in the Fund. Measures to mitigate such an eventuality are readily available for admission bodies and set out in section 6 below.

6. Risk Implications

a) Risk(s) associated with the proposal

Risk	Mitigation	Residual Risk
A new employer does not pay the pension contributions due in full or on time.	A late payments policy is in place which sets clear policies on how we deal with late or non-payment of contributions.	Green
A company admitted to the Fund as an admission body may become financially unviable.	A surety bond or guarantor is required to cover the potential risk of the admitted body becoming insolvent and the monetary value of this risk is reviewed regularly to ensure it provides adequate cover for the financial risks involved.	Green
An Admission Body joining the Fund may cease as an employer in the Fund if they have no more active members	We maintain regular two way communication regarding the current funding position of the employer, reductions in membership numbers and any other activity that may affect the continuation as an employer in the Fund.	Amber

Future pension liabilities cannot be supported by an Academy Trust	A parliamentary minute, laid in July 2013, concerning Academies and Local Government Pension Scheme (LGPS) liabilities, provides assurance that the Department for Education will meet any outstanding Local Government Pension Scheme liabilities in the event of an Academy Trust closure.	Green
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b) Risk(s) associated with not undertaking the proposal

Risk	Risk Rating
Non compliance with the mandatory requirement to allow academies admission to the Pension Fund.	Red

7. Communication Implications

Direct Communications	Direct communications will be required to facilitate employer start up in the LGPS.
Newsletter	Regular pension bulletins are issued to the scheme employers on topical matters.
Induction	New employers require an introduction to their employer responsibilities under the LGPS.
Seminar	Employers will be entitled to attend an annual Employer Forum.
Training	Generic and bespoke training courses will be made available.
Website	New employers are given access to the employer's guidance available on the pension's website.

8. Legal Implications

8.1 Admitted bodies enter into an admission agreement with the administering authority in order to become an employer within the Cambridgeshire Pension Fund. This agreement sets out the statutory responsibilities of an employer, as provided for under the Regulations governing the LGPS.

9. Consultation with Key Advisers

9.1 Contribution rate and bond assessments are undertaken by Hymans Robertson, the Fund Actuary.

9.2 A precedent admission agreement has been drafted by Eversheds, specialist pension legal advisers in consultation with LGSS Law.

10. Alternative Options Considered

10.1 None available.

Checklist of Key Approvals	
Is this decision included in the Business Plan?	No
Will further decisions be required? If so, please outline the timetable here	No
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?	Sarah Heywood – 9 May 2018
Has this report been cleared by Head of Pensions?	Mark Whitby –27 April 2018
Has the Chairman of the Pension Fund Committee been consulted?	Councillor Rogers –9 May 2018
Has this report been cleared by Legal Services?	Sent to Quentin Baker/Fiona McMillan– 1 May 2018

